Gold Royalty June 12, 2025 Capital Markets Day – Edited Transcript

Introduction & Strategic Overview

David Garofalo, Gold Royalty Chair & CEO
I want to welcome everybody here that's live today and also many online participants that are here for the Gold Royalty presentation, our capital markets day, as we like to call it, our Investor day if you will. And it's an auspicious time because we are approaching all time highs in the gold price again; we're approaching a little over $3,400 an ounce and not far from the all time highs we achieved earlier in the year. And gold has been one of the best performing asset classes in the whole investment universe, not just in the resource space. And our own Stock is at two-year highs but still with a lot of intrinsic value to be realized in our portfolio. And we're delighted to have an opportunity today to talk about our portfolio in quite a bit more detail. We'll have a little bit of a modeling update as well so we can get into a bit more detail on the individual assets. But we are at an auspicious time within our history as well, approaching free cash flow generation this year for the first time after having built the business up over the last four years since our IPO in March of 2021.

So we're excited to talk about that and the growth that we're expected to have in free cash flow, almost exponential growth over the next five years coming from some of the largest scale gold operations in North America and a number of other assets we brought into the portfolio within South America and Europe as well. Here's a quick look at our agenda today. I will start with a bit of an introduction of the company, talk a bit about the macro environment for gold and gold equities. John Griffith, our Chief Development Officer, one of our founding executives, will talk about our corporate development function, our criteria for growth, and also our tools and platforms for growth. Andrew Gubbels and Jackie Przybylowski, our CFO and VP Capital Markets respectively, will have a bit of a modeling update over the course of today as well so you can get into a little bit more granularity on the details behind our growth.

And then we have a number of special guests today that I'm delighted to introduce because I've had long term connections with virtually all of these people or at least the organizations. I've been in the business for 35 years and Alastair Still worked with me at Goldcorp and Alastair has a great history as well. He's a geologist by training, but he was one of the senior managers at our Porcupine Complex, which is actually topical today as we talk about our Borden operation a little later on or our Borden Royalty. And then he went down to Cerro Negro and built that mine where he was general manager and then he was part of our corporate development group at Goldcorp. So he brings a wealth of experience in terms of mine operation, mine development, but also in terms of understanding the gold sector as well. And you know, I can't think of anybody better suited to de-risk the assets within our former parent company Gold Mining. We have royalties on a dozen of those development stage assets within Gold Mining's portfolio. And I remember when Amir Adnani, the co founder of Gold Royalty and I were sitting at a cafe in West Van back in 2019 trying to conceive of Gold Royalty, we picked up the phone, my speakerphone on my iPhone, sitting in this cafe outside and we. The first person we called was Alastair Still. We needed somebody with a strong technical foundation to really advance those assets. And I remember we offered him the job on the spot as he was still working at Newmont, we were able to recruit him not only to be the

CEO of Gold Mining but also the director of technical services for Gold Royalty. So he's been instrumental in growing the Gold Royalty portfolio as well since he joined the organization about four years ago.

The other guy I'm delighted to introduce is Brian Penny. And Brian and I go back pretty much at the start of my career at Inmet. So I remember that when I was at Inmet as a young treasurer, I looked up to Brian Penny because he was already a well established CFO. He was one of the founding executives of Kinross. And I have to say Walbridge has a great asset in Fenelon. But they are very lucky to have a gentleman of that pedigree running the organization because he brings a long history of operations and mine development to the table. And Brian, delighted to have you here today to talk about Fenelon.

I don't know Mark as well at Discovery Silver, but I do know those assets very well because we ran them when I was at Goldcorp, the Porcupine Complex. But I couldn't think of a better person to run that complex than Tony Makuch who's Mr. Timmins, if you will. The unofficial mayor of Timmins comes from that background, and what he's done with Discovery Silver is remarkable in terms of launch of that. And the share price has done extremely well. But what's exciting for us is he's overcapitalized the business, he's brought a lot of capital to bear and a lot of expertise, which means he's going to reinvigorate that camp. And we're excited about what he's going to be doing with Borden and as he looks at exploration potential there and realizing the absolute geological potential of that deposit. And I'm sure Mark will give us a lot of background on that.

And while I don't know Jean-Marie Clouet very well, I do know Agnico Eagle very well. I spent 12 years there as CFO in its formative years when we were a 90,000 ounce a year producer. By the time I left we were about a million ounces. And of course Agnico Eagle's gone on to much bigger and better things since I left. But I’m delighted that we have a company of their pedigree coming in to present about our keystone royalty on Canadian Malartic over the course of today as well.

So a lot of people that you're going to hear from today, I think it will be an informative session.

What I thought I would do is spend a little time talking about our pipeline. And this pipeline represents not all of the royalties we have. It's a snapshot of some of the key royalties. We have seven cash flowing royalties which we'll get to in a bit more detail over the course of the presentation. 14 in various stages of development and construction, underpinning that significant growth in revenue we expect to realize over the next three to five years; we have a significant number of advanced exploration assets as well. Well over 35, 40 of those that have 43-101 resource on them. And then we have some earlier stage royalties in the exploration pre-resource stage which represents a lot of the optionality we have embedded in our portfolio. And while the market isn't attributing a lot of value to those, what I should add about this portfolio is it's completely bought and paid for. We don't have any capital calls, any installment payments, which means that optionality comes to our shareholders for free because we don't have any holding costs either.

And so there's a lot of optionality that we think will be realized over time. And a lot of these earlier stage royalties, as John will get into a little later on, are generated organically through our sweat equity. We don't invest any serious capital, which means the return potential on the ones that actually come to fruition is infinite because our entry cost is effectively zero. So that's the remarkable power of that royalty generator model, which John will get into in a bit more detail. But really the engine for growth over the next five years are a number of now producing assets and assets that are at very late stages of development or brownfield expansions which will deliver significant revenue growth with well capitalized operators. And you can see we have a very diverse portfolio of operators within our partnerships, over 80 operators and you can see all the largest cap gold companies in the world we count as operating partners within our portfolio of over 240 royalties.

Just in terms of a snapshot of the geographical spread, the commodity spread of our portfolio over 80% of our portfolio by number and value are Nevada, Quebec and Ontario, which the Fraser Institute judges as some of the best jurisdictions in the world. Certainly among the top five perennially for mineral potential, low political risk, and low regulatory risk. And that's an enviable portfolio of assets from that perspective. But also you can see the concentration on gold. We very much are a pure gold royalty company as our name indicates. And while we welcome some diversification, I would say it would happen quite organically, naturally within polymetallic deposits that we understand. And if you look at our board and management, there are a number of us that have built gold-bearing VMS deposits, copper-gold porphyries. So if we welcome some diversification in our portfolio within those types of geological settings where we think we can add value that we understand fundamentally, then you will see some diversification over time. What we won't do is force ourselves to diversify into areas that we simply don't understand. So you won't see us in exotic battery metals or things like that. And as our growth indicates that you'll see a little later on, a lot of our portfolio is already cash flowing or on the cusp of cash flowing. So we have significant concentration in cash flowing and near cash flowing royalties. So that means that intrinsic value is likely to be crystallized in the very short term in terms of growing free cash flow over the next three to five years.

I'll spend a few minutes talking about gold fundamentals. I think the World Gold Council quite often criticizes mining companies and royalty companies for not talking enough about their underlying commodity. And I think it's important to talk about the historical perspective around our commodity. If you look over a 50 year horizon from the point abandoned on the gold standard in the western world, it's been a one way trade in gold and why wouldn't it be when there is no tether [and it is not meant to be a reference to the announcement by Elemental yesterday] but when there's no tether for our fiat currencies, ultimately what happens is that those fiat currencies are printed with reckless abandon. And that's what's happened over a 50 year horizon. And the arithmetic is very simple. Gold is increased a hundredfold in value over that 50 year period. The purchasing power of the US dollar is a hundredth of what it was 50 years ago. It's a very direct and linear relationship over a long time horizon. Yes, there's a lot of volatility in the short and medium term around the commodity - and really isn't a commodity, it's a currency. And that's really what this graph demonstrates, is the currency power of gold. Gold can't be printed. There's a finite amount of volume that's introduced, or supply that's introduced, into the market. We're adding maybe 2% to global above ground supply every year. And there's a remarkable inelasticity of supply to price. So we're not seeing the mining industry really react in any meaningful way to the increase in the gold price in terms of increased supply. It's very difficult to bring supply on; it's capital intensive, it's risky from a social engagement standpoint, it's long investment horizons really to respond to higher gold prices. So you're not going to see a supply side response, unlike what's happening in the fiat currency side where we're seeing a remarkable increase in monetary supply. And it has been happening since the great financial crisis. And clearly the US government is pursuing a weak dollar policy in order to stimulate industrial capacity within the US but that will only lead to competitive devaluation of other fiat currencies globally. Gold can only go in one direction, regardless of what currency you transact with. When you're looking at gold as a commodity and a currency.

And we've seen a record amount of ETF buying largely driven from Asia and Europe, less so from North America. And what's remarkable about this rally in the gold prices, a lot of it has been led by the buying of the commodity from Asia. They are not the traditional buyer of gold equities. That's why we've seen gold equity prices languish and not respond to record high gold prices.

We're certainly not even approaching near the multiples we had coming out of the great financial crisis when gold and gold equities were experiencing all -time highs. So we're not anywhere seeing the kind of commodity response that we've seen. And again, central bank buying has been a big driver, but a lot of it has been coming from Asia. And again, the Asian buyers are not the same guys that buy the equities. It's different sets of buyers. We haven't seen a response in the gold equities in any meaningful way. And this is a very busy chart which meant, it's meant to demonstrate that it's been very selective buying of gold equities in North America because they are not the ones that are buying the commodity. Different sets of buyers. And so we're going to see a response, we believe, when we see a rotation out of the general equity markets into commodities and resource stocks generally. We haven't seen that. We're still seeing a very heavy concentration of the general equity markets in the big seven technology stocks. The outperformance we've seen in the equity markets have not been led by the resource stocks, but the commodity has really been leading the equities. And we believe there will be eventually an equity response. Because a lot of these businesses, particularly large cap businesses in our universe, are generating record amounts of free cash flow. They're trading at very depressed multiples, not only in a price and that asset value basis, but also on price of their earnings price to cash flow, certainly relative to where they were in peak equity valuations over a dozen years ago. So there's still a lot of upside, we believe, in the equity prices of the industry.

One of the reasons we think we haven't seen the kind of response in the gold equities is a couple of dynamics. The industry is actually shrinking because juniors have not had access to capital markets, at least consistently, for over a dozen years. We saw peak exploration spending and peak reserves in 2012. Since then, we've seen largely an abandonment of the general equity markets from the commodity space and in particular the juniors that are still experiencing flat-line valuations over the course of the last 12 or 13 years. We haven't seen that trickle down of money into the juniors. And so we've seen a shrinking of reserves, a decline of about 40% from the peak in 2012. So we have a shrinking universe of reserves in the overall producer universe. And so what inevitably we've seen happen is cannibalization of the producers. And if you look at the greater context of the overall producer universe, it's a zero sum game. It increases share count of the established producers, but doesn't necessarily increase reserves on a per share basis or production on a per share basis. So over a long period of time, the largest cap players in our space have not seen the reserves and production increase in any meaningful way even over the last 30 years because of the lack of exploration success that juniors have experienced because of their lack of access to capital. The other dynamic is all in sustaining costs have crept up particularly during the COVID crisis when we saw inflation accelerate. And certainly mining companies were not immune from inflation we experienced in the general economy. So we saw unit costs start to go up even as the gold price went up. And over a 30 year period the r squared coefficient, the correlation is.98 over a 30 year period of all in sustaining costs on a unit basis to the gold price. We've seen some separation of late and so we've seen leverage delivered in the short to medium term among the producers. We're seeing increasing cash flow both on an absolute and per share basis. But we think inevitably what will happen at these high gold prices is lower grade material will be brought into the mine plans and we'll start to see all in sustaining costs on a on a per ounce basis start to creep up. And that's inevitably what's happened when we've seen separation between the gold price and all in sustaining costs in the past. So we do think the leverage proposition is more difficult among the producers. And that's why there's, we think, a general reticence for the general equity investors to come into the space. They want to see that this separation, this increase in margin is sustainable before they start to meaningfully allocate capital into the producer universe.

A little bit about our growth outlook. You can see that we've guided for about 16% growth in our GEOs this year. If you take the midpoint of our guidance of 5,700 to 7,000 GEOs. When you look over a five year horizon, and this is the first time we provided five year guidance because we wanted to show the meaningful growth in our attributable production over a five year period coming from some of the larger scale mines that are now commissioning, expanding, in late stages of delivering their growth. And you can see that we expect to grow our production on an attributable basis over 360% or about 36% compounded annual growth per year over the next five years. 85% of that growth is coming from established operations or brownfield expansions of established operations. So effectively completely de risked from a construction standpoint. Really we're at a point now where we've been building out this business for four years and we're harvesting the returns that we've been promising our shareholders and we're starting to see that response in our share price. The market is starting to recognize that that de risking is largely behind us and that growth is being crystallized in real time and in dollar terms. This just provides you a little bit more granularity in our production growth in terms of attributable ounces, 16% as I said this year, over 360% over five years, 36% compounded annual growth.

And over a five year horizon is steady growth every year. It's not concentrated in any one year. And what this graph shows you in the yellow bars is our volume of attributable production on a consensus basis. We don't provide year by year production guidance. We provide it in year one, in this year 2025 and over a five year horizon. And you can see the consensus estimates are still a little bit below what our own guidance is in five years. Because there's a number of expansions that have only been recently announced that analysts haven't had an opportunity to assimilate into their models yet. Namely the expansion that we expect at Vareš, the expansion we expect at Borborema and also REN, which Barrick published initial production plan only a couple of months ago. So a lot of analysts haven't had an opportunity to absorb that into their models as well. So we're a little bit above consensus estimates over a five year horizon. But you can see that we're approaching 30,000 ounces of attributable GEO production by the end of the decade. And if you overlay various gold price assumptions on that and get close to spot, we're looking at about $90 million of revenue by the end of the decade at spot prices against $7 to 8 million of G&A. And by the way, those G&A costs have actually come down because when we absorbed three of our competitors over the course of 2021, we vaporized all of their G&A. There was about $10 million of collective G&A in those three companies that is completely gone. In 2023 alone, our G&A costs came down 40% as a result of our post merger integration efforts of the three companies we absorbed in 2021. So those costs are stable, they've been predictable over the last couple of years. And so that means every dollar of incremental revenue goes right to the bottom line in terms of free cash flow generation. And the other thing I should point out is all of our gold exposure is in the form of royalties. So we see no increase in cost of sales as the gold price goes up. So there's no cost counter to our increase in gold revenue regardless of a gold price assumption, you assume over this five year horizon.

I'll spend a bit of time talking about a capital allocation strategy which I think is appropriate given we are now in a period where we're starting to generate positive free cash flow, and I can tell you our absolute focus is starting to deleverage the balance sheet over anything else right now. And you know, that's driven by, you know, we've gone through this rapid growth phase and we want to reload the balance sheet so that we're well positioned to be competitive for growth opportunities going forward. We want to have debt that we can draw on, effectively a line of credit or a credit card if you will, to continue to grow the business. But also it recognizes that even at two-year highs in the gold price, we're still depressed on a relative basis, relative to our peers, when you look at a price to net asset value basis, we, we simply don't have the currency to grow meaningfully as we did the last several years. And so we've actually sat on our hands. When you look at our growth over the last year, we've really effectively not acquired anything of significance since Vareš over a year ago, May of 2024. And that's been deliberate. It's not because we haven't looked at things. We're in a perpetual state of due diligence. We continue to look at growth opportunities, but we simply have been priced out of everything.

And that's appropriate because we have very stringent return on capital criteria. It has to be well in excess of what is now heightened cost of capital. And so that means we simply aren't competitive right now in terms of what's being traded. And we'll be disciplined and wait for our currency to come back before we start to talk about growth opportunities. And the other conversation we can start to have is about returns of capital to shareholders once we get into sustainable free cash flow territory: dividends, share buybacks if our currency continues to be depressed, that would be obviously an obvious allocation of capital source that we'll look at over the next little while. So as I said, growth in acquisitions is very, very much at the bottom of our priorities given the still depressed nature of our currency. In spite of the fact that we are at two year highs.

And you can see that in terms of the pace of growth, this encapsulates the growth that we realized over the course of our four and a half year history. We saw rapid growth in 2021 when we had the currency to do so. I would be, and John would be the first to admit that we had a very strong currency coming out of our IPO. We IPO'ed at $5 a share. The stock ran to $7 per share. We recognized we had a significant multiple advantage over our peers and we did take advantage of that. One because we could do accretive deals. But we also recognized that we had one operating partner. We had a set of assets that were all in the development stage without necessarily clear line of sight to production. And we needed to diversify terms of our operating partnerships but also start to introduce some cash flowing assets and some more immediate growth into the portfolio. And we did that by acquiring Ely, Golden Valley and Abitibi. That brought in 150 additional royalties but importantly brought in Canadian Malartic which is still one of the biggest gold mines in North America and operated by the biggest gold mining company in the world. And we brought in REN, which is the underground extension of Goldstrike. So we brought in cash flow and we brought in growth immediately by affecting those acquisition targets. Since then we've had to really slacken the pace of acquisition because in 2022 we started to see interest rates go up at the Federal Reserve and other central banks tighten their rates in response to inflation. We saw our currency de-rate as we saw much of the gold sector and gold equity universe rate. We simply didn't have the currency to start to transact and do M&A again. So we focused on using the treasury we had from the IPO to selectively acquire assets that were near cash flowing or cash flowing to complement the growth that we already had embedded in our portfolio. So that brought in Côté, Cozamin, Borborema, which is now into production, and Vareš which is now into production, to complement a very significant reserve tail we had embedded in the portfolio we acquired through M&A over the course of 2021.

So with that I'd like to hand it on to John Griffith to talk about our corporate development function. Thank you very much for your attention today.

Corporate Development

John Griffith, Gold Royalty Chief Development Officer
Thanks Dave. And I'll just echo Dave's comments. A welcome to everyone in the room and also to all those on the phone. So I think Dave really captured our corporate development strategy as it currently stands in two words. And I would echo those words again. Patience and discipline. And I think we can do that because we have really built a fantastic portfolio of 248 royalties which places us in the top tier among all listed royalty companies, including the big three. So that's quite an achievement if you think about our four year history as a royalty company. And it gives us enormous flexibility but the privilege also of not having to go out and do additional deals to grow. I think we actively look at an opportunity almost every day. So our team, notwithstanding the fact we're not executing on any deals at the moment, is keeping its skillsets sharpened. There is a tremendous amount of activity in the royalty and streaming sector and we've looked at over 400 opportunities since formation. We've only submitted offers on 40 of those 400. So roughly 10%. Of those 40 offers submitted, we've only executed 10 transactions.

So it's a very, very narrow aperture of transactions that have resulted in us growing from 18 to 248 royalties. And I think if you recall the slide that Dave showed you of slowing growth, we've really started to approach more of a rifle shot sniper approach to growth. Our last three acquisitions were all cash flowing assets or near-term cash flowing assets and that was obviously very purposeful. It was very important for us to improve the cash flow profile to supplement the longer-term growth that we have embedded in our portfolio. Dave mentioned we used our paper to fund growth when it was accretive and appropriate to do so. But right now our multiple is closer to 0.8 times. And a lot of the opportunities that are being bid in the market are being bid at 1x NAV at a 5% discount. We simply will not give away the inherent growth that we have in our portfolio that accrues to our shareholders and give it to other folks to benefit from. So until our multiple is strong, until our balance sheet is replenished from the cash flow that we're going to be generating, we will remain, as I said, patient and disciplined.

Anyway, turning to the dynamics in the royalty and streaming sector, it is an increasingly competitive space. The more than 40 royalty and streaming companies and private equity groups that are all looking for the same opportunities, royalties and streams, the larger peers have significant amount of capital to deploy. And in addition to that, many of the operating companies are well capitalized and have a lot of cash flow in this current environment. So it makes it even more difficult to really think about deploying capital in a value-accretive manner.

I'd like to just think about the size of the M&A market and share that with you. For the past five years, transaction value has averaged about $3.5 billion per annum; in the previous five years before that it was $2.4 billion. So there's definitely been growth - but to put that in context, the aggregate market capitalization of the listed royalty and streaming companies is just north of $100 billion. So $3.5 billion on average represents 3.5% growth purely from M&A. And that's not actually a significant number when you think about it. So when you turn around and you look at that growth chart that Dave showed you with 360% in absolute terms over 30% on a CAGR basis already bought and paid for, that's really the compelling factor that really drives us to be increasingly laser focused on adding value through accretive transactions only. And until we can do so we, we will remain very, very cautious in our approach.

If I turn back to my notes, I think a lot of people ask about what are the types of opportunities we're seeing out there. As I said, we look at a transaction almost every day and I'd say the vast majority of those transactions at the moment, unsurprisingly, are early-stage opportunities. And if you think about that, it makes sense. Dave mentioned that the juniors have had for a long time and continue to have a lack of access to capital. The royalty and streaming sector has been one of the predominant sources and growing sources of capital for the mining industry. So it's not surprising that a lot of the juniors are looking to raise capital through royalties and streams. So again we have, if you think about the portfolio chart that Dave showed you, seven cash flowing assets, 15 in development and then tremendous amount of exposure to early stage exploration and mid stage exploration assets. We really don't need to add more optionality into our portfolio. So again our current focus is on near-term producing or producing assets. If you think about the last three transactions we did over the last 18 months, we deployed around $90 million of capital and they were all either cash flowing or near term cash flowing. Cozamin, Borborema, and Vareš. We certainly can't predict what growth opportunities are going to come up in the future or where they'll come from. You know again as I mentioned, we're seeing a preponderance of early-stage opportunities and I think for us our sweet spot is around $50 million. You think about the sector in very simplistic terms: The math isn't quite accurate but I think it's approximate and it'll give you an indication of the point that I want to make here. Triple Flag is roughly 10 times the size of us. In turn, Franco-Nevada is roughly 10 times the size of Triple Flag. So for Franco-Nevada to do a transaction that's going to move the needle needs to be 100 times bigger than any transaction we will do. Triple Flag's transaction needs to be roughly 10 times larger than any transaction that we would do. Our sweet spot is $50 million. So think about that. Think about that in the context of 10 times versus 100 times. It's much, much easier for us to really target a growth opportunity in the M&A market. Again, once our multiple is there, once the balance sheet is in place and we can go out and deploy capital. So that multiple expansion opportunity for Gold Royalty through growth, through our organic growth profile, again over 300% over the next five years. But also our ability to add assets that are going to move the needle is much greater in a company of our size than relative to many of our larger peers.

I think the other thing is really talking about the uniqueness of our business model. We've got four pillars of growth. We provide royalty financing in a very traditional sense. A great example of that was the transaction we did with Aura on the development of their Borborema project. We acquire third party royalties. We bought a portfolio from Nevada Gold Mines, from Barrick. And that gave us the royalty on Granite Creek, among others. We also obviously generate royalties organically, and I'd like to talk a little bit more about that because I wouldn't say it's unique in the sense that we're the only one that does it, but we are unique in the sense that our cost base in generating these royalties is nil. We generate these royalties not only at no cost, but we actually earn income from the lease payments. When we structure these agreements, typically we generate between $2 and 4 million per annum. At the higher end, that's nearly 50% of our G&A when you think about it. So it's not only zero cost, but it's revenue accretive to our business model. We've generated, if you go back to the origin of the companies we acquired, of the 248 royalties, 73 of those 248 royalties were generated organically, which represents about 30% of the portfolio. We're the only company in the public royalty sector that has all four pillars of growth. And the fourth pillar is obviously corporate M&A. We acquired three companies since going public, by my calculation, and I might be a little off, and I'm sure some of the analysts in the room will correct me if I get this wrong, but there have been 10 change of control transactions since we went public. Three of those have involved Gold Royalty. So consolidation is underway and most certainly will remain, in the future, a core part of our strategy. But again, the point I'd like to emphasize, we're the only royalty company that has all four pillars of growth and each of them have been very relevant in creating the portfolio of 248 royalties that we have today.

I'd like to just mention, obviously the ability to deploy capital, as I've alluded to, depends very much on a multiple and where we can see accretive transactions. And also looking at the cash and where it's going to come from. Right now our credit facilities, if you look at the margin and base rate, the cost of capital on our drawn credit is around 8%. And if we're going to do a transaction, our returns at the moment need to be greater than 8% because we don't just want the banks earning a return on the royalties we're going to invest in. So right now that gives you a sense of our threshold, our target threshold for returns. But typically, anyway, we look at a double digit IRR when we're evaluating opportunities. And what I would say with the benefit of hindsight, when we look back at the opportunities at the transactions that we've done, our returns are well north of our initial estimates when we made those investments and for two reasons. One, because the assets have expanded either through resource expansion or resource conversion into reserves or, and like many of our peers, because when we made those investments, we always use consensus gold price. Most of our investments were made using a gold price estimate of $1,800 or lower. I don't think I need to explain the rest of the logic to that argument.

I think the last pillar of growth, as I did mention, was M&A. And I think again, you know, we anticipate with at least 21 public companies that there will be significantly more consolidation to come. If we think about the junior royalty and streaming space, we estimate there must be somewhere between $40 and 70 million of SG&A that could be eliminated and effectively capitalized, and you can do the math around what kind of value that might create for shareholders. So certainly something we're very cognizant of. But again, we will be very disciplined and will not do dilutive transactions.

I'd like to talk a little bit about relative valuation. I think this slide really shows that the larger companies in our sector trade at significantly higher consensus average price to NAV multiples when compared to the mid caps, which in turn trade at higher multiples than the smaller caps including Gold Royalty. And why is this? Well, the larger companies generally have portfolios of royalties and streams, some of which are with the most recognizable world class mines which attract investor interest. Secondly, companies with the larger market caps naturally have higher trading liquidity which attracts a broader group of investors including the large generalist funds, which is hard for us to do being a sub billion dollar company. More mature companies have also had a longer time for low cost early stage royalties and streams to mature and move down that development pipeline, that first slide that Dave showed you. And those opportunities have created tremendous amount of upside and value over time. And we're still in our infancy in terms of where that comparison could go. We have tremendous amount of option value in those 170 plus royalties in the two buckets of exploration and advanced exploration. And I think the last point we'd like to make is really that survivor bias means that looking at companies which have used the market's confidence and the arbitrage opportunity created by having a higher multiple has allowed them to really continue to grow. I think when we take a step back our corporate mission which is available for anyone to refer to under our website if you look at company and about, you'll see our corporate mission is to invest in high quality, sustainable and responsible mining operations to build a diversified portfolio of precious metals royalties and streaming interests that will generate superior long-term returns for our shareholders. And I'll stress long-term returns. Corporate M&A could contribute to our achieving this mission. But as I said it has to be accretive. We've used corporate M&A to really achieve a step change in our portfolio. Dave alluded to that - the initial 18 royalties and the biggest significant change was really through the acquisition of Ely, Golden Valley and Abitibi. We certainly can't predict where the participants will be in terms of M&A, or the sequence of corporate M&A. But we do expect it to continue. I think what I would say, we will be patient. We will wait for the right opportunity. I have no doubt that once again we will be able to continue to grow the portfolio through M&A and capture some of that upside through eliminating SG&A. And with that I am going to say thank you very much. I see a question.

Audience question
[inaudible]

John Griffith, Gold Royalty Chief Development Officer
Yes, sure. So the question that was asked in the room was roughly this time last year, our share price was, was roughly trading at the same level. And we went out and did the Vareš transaction issued equity, if you factor in the discount plus the warrants, effectively at $1.45 was the point made by the individual in

the room. And the question that followed was, and I'll paraphrase, shareholders are terrified we're going to do the same thing. Are we going to do that?

And the answer is no, we're not going to do that. And I think again, I'll preface my answer and then I'll hand over to Dave for his thoughts. We've been in the process of building a company and building a portfolio that is going to create value over the long term. The one thing that was missing in our portfolio was cash flow. And cash flow was paramount. Paramount to us being able to not only cover our cost base, but actually generate free cash flow so that we can really start to become a self funded growth vehicle. So it was really critical for us to acquire Vareš from that point of view.

And I think the message we're delivering today is we've built that portfolio. We are now in a position where we can rely on harvesting the cash flows that are going to come from that portfolio. We have the privilege, and as much as it is my role to grow the company through M&A, we have the privilege of being able to sit on our hands. And as I said, I've used these words several times and I'll use them again. Being patient and disciplined, we did that transaction for a purpose. We felt it was plugging a need in terms of our cash flow growth. We've done it and we're very happy with the asset. It's performing well, it's got some ramp up to go, it's got a lot of expansion potential, our internal NAV is much higher than what we paid for it. It is going to create a lot of value for our shareholders over time.

David Garofalo, Gold Royalty Chair & CEO
The only thing I'd add is it's not expansion potential, it's expansion that's actually underway and completely funded. So Adriatic went to market earlier this year, raised A$70 million of equity, not only fully financed that expansion, which is about $25 million and it's going to be a 60% expansion in production by 2027, but it funded their working capital needs as they're going through the commissioning process. So they're well capitalized and the market recognizes the intrinsic value of that asset and Dundee Precious Metals clearly does. It looks like they're going to take over the company next week and we welcome that type of strong, well capitalized operator with a presence already in the area that can deliver significant synergies to that asset. All that capital has been raised. All the capital Dundee is going to devote to this asset, if they ultimately acquire it, has come at zero cost to us. So that optionality that we recognized when we bought that asset, we didn't pay for the optionality, is actually being crystallized right now. So there's a tremendous amount of intrinsic value being realized. But Brad, I'll tell you what we went through last year when we did that deal was extremely humbling because what the market did, and the arithmetic is irrefutable, is they added the shares we issued on that bought deal into our denominator and added no value in the numerator for the asset.

So we did an ineffective job of communicating the quality and the intrinsic value of that asset. And we've gone a long way to remedy that situation over the last year, namely by bringing Jackie on, who's done a very effective and systematic job of telling the story to institutional investors who knew nothing about the company or the intrinsic value of the underlying assets we have in that. That's why we've seen a steady recovery in our share price since Jackie joined us. So she's done a great job in that regard. And we recognize we couldn't do investor relations off the side of her desks anymore. We couldn't just build the business and hope the market appreciated the intrinsic value of our assets. We had to be much more disciplined and systematic about the way we do it and the proof in terms of sitting in our hands, 13 months we haven't done any significant transactions because we again, as I said earlier on and John reiterated, we simply have not had the currency to participate, even though we've looked at many things we simply have been priced out of the market and that's fine. We'll just move on and hope we get the currency to be able to transact going on going forward.

John Griffith, Gold Royalty Chief Development Officer
And Dave, I just add, you know, when we look at our portfolio, we don't see the same holes or gaps that we saw, you know, 12, 18 months ago. We've filled those gaps and now we have a portfolio that has peer leading growth. It's paid for and it's starting to deliver. We're going to be free cash flow positive in 2025 with the growth profile, you saw our guidance for five years out. You take that guidance, you take the midpoint of that guidance, you take the current spot price will be somewhere around $80, 90 million of revenue, less our $7 to 8 million of cost. That's free cash flow that is going to be used (A), to improve the balance sheet, pay down debt, (B), consider shareholder distributions, and only after that will we really think about redeploying that capital to continue to grow the company.

David Garofalo, Gold Royalty Chair & CEO
I should add that not on this point, but for those watching the session online, you can ask a question in the text box or email info@goldroyalty.com or jackiep@goldroyalty.com

Audience question
[inaudible]

John Griffith, Gold Royalty Chief Development Officer
So the question was, and please Brian, correct me if I get this wrong: Is the market paying a higher valuation for cash flowing assets and is that how we look at the world? Was that close enough? The answer to that question is yes. We certainly do believe the market values cash flowing assets at a higher multiple. The industry, for what it's worth, typically uses a 5% discount rate and what we do then is adjust the multiple of NAV depending on the stage of the asset. So earlier stage assets will be a much lower multiple of NAV versus cash flowing cash flowing assets. Sometimes you see them going at a premium to NAV. If I think about some recent examples, there was a sale of an asset, a royalty on Côté Lake, which we believe was transacted at a premium to NAV. Again, Côté Lake is operating, and it was a strategic imperative for the buyer of that asset to add gold exposure to mitigate the diversification that had taken place and also to mitigate some geopolitical risk that had taken place in that portfolio. So you'll see premiums will range from roughly one times to well north of that, depending on the strategic imperative of the buyer. But yes, typically we see cash flowing assets will attract a premium. And again, for our purposes, we did not use a 5% discount rate for that particular asset because it was a copper stream. We used an 8% discount rate and again we only paid for the reserves and for the current state of production, we did not pay for the expansion up to 1.1 Mtpa. And there's a further expansion that will come at that asset up to 1.3 Mtpa. Our calculation was based on 800,000 tons of production for that asset. So tremendous amount of upside. And that's the very reason why internally in our models today, the NAV we have for that asset is significantly greater than what we paid. Does that answer your question?

Audience question
[inaudible]

John Griffith, Gold Royalty Chief Development Officer
Just to repeat the question, larger cap companies are trading at significantly higher multiples. That implies that, you know, discount rates could be significantly lower. And what are we seeing in the market in terms of discount rates? I think the basic starting point of any valuation exercise is to use a 5% discount rate. However, that really doesn't reflect how we think about value internally. When we run our math and our models, we look at an internal rate of return. Our target IRR for any asset that we buy has to be double digit. So notwithstanding the fact that large cap companies that are trading at between 2 and 3 times NAV can afford to buy an asset at 1 times NAV with a 5% discount rate and still have an accretive transaction; for us in terms of how we look at the world, irrelevant because it has to be a transaction that's going to be accretive to our existing portfolio. So double digit IRRs is really how we look at our business and our opportunity set.

David Garofalo, Gold Royalty Chair & CEO
Any other questions in the room? So five minute bio break. Refill your coffees at home for those online and we'll be back at 10am Eastern. Thank you.

Finance Update

Andrew Gubbels, Gold Royalty CFO
Okay everyone, we're gonna kick off the second part of present. Get the slides back up. There we go. Okay, so moving on to finance. For those who don't know me, it's Andrew Gubbels. I'm the CFO of the company. What I want to go through today is talk a little bit about revenue, which you are very much aware of the situation. But we'll look at revenue and importantly how we benchmark compared to some of our peers in that regard. I'll touch on our operating costs and again look at some benchmarking for operating costs and then touch on the balance sheet and the financing as well as liquidity. So without further ado, just looking at first off with starting with historic revenue. So Gold Royalty entered 2023 with a quality portfolio, but mostly development, exploration, stage assets, as everyone's aware. You can see from this graph, at the start of 2023 we were in a period where we were still effectively using cash to supplement the cash flow from our operations to fund our business. We understood that was an unsustainable situation that had to change. So to move forward we took a two pronged approach. Two things we could do. First off was to reduce operating costs, and second, to accelerate the near term cash flows. And we did that through strategic acquisitions that John and Dave mentioned earlier. So in August 2023, we completed the acquisition of the royalty at Capstone's Cozamin mine. In December of that year we financed Aura Minerals' Borborema project and received immediate pre production payments and loan interest from that transaction.

And at the same time, throughout the course of that year we went through a process of reducing our operating costs which really came about for the most part through the mergers with Ely, Golden Valley, and Abitibi. In 2021, 2022, we went through a period of eliminating redundancies, creating more efficiencies in our operating costs, simplifying the corporate structure. The amount of administrative time and cost that's eliminated and reduced through some of the behind-the-scenes corporate restructuring was important and also introducing a disciplined cost management and budgeting protocol which is important in how we plan our business going forward. As a result of 2023 with Cozamin and the Borborema, we did begin to report positive operating cash flow for the first time in 2024, which was a big achievement for us. We were on our way to being self sufficient, as it were, with respect to cash flow generation. In 2024, as was already explained as well, we acquired In June of 2024 the Vareš copper stream. Now that was an acquisition that really resulted in additional cash flows in addition to the Vareš project, which is ramping up. That put us in a position to report positive free cash flow for the first time, which we will do in 2025. In fact we did in the first quarter of 2025. So these important, what I would call foundation-building steps, really over the last two years transitioned us to becoming a sustainable free cash flow generating company, which again was critical to be able to, for us to not be burning cash just to keep the lights on with the business.

So moving forward, looking at revenues in the future. Now I'll have to be a bit careful here because, and we've highlighted this in the footnotes, all we've, all we put out to the market is guidance for 2025 - and the 2025 revenue number here is simply taking the midpoint of our, of our gold equivalent ounces and using a broken consensus price deck to come up with what that you see in that bar for revenue. Going forward, the bars into the future is again simply taking, because we do have the benefit of being covered by six brokers, taking the average of our brokers forecast for gold equivalent ounces and applying the broker consensus price deck for commodity prices. So what you see here is a very promising picture. Again, we worked hard to get our operating costs to a level where we felt was sustainable and we have targeted a range of about $7 to 8 million per year in that regard.

And with that what you'll see is expanding operating cash flow and free cash flow margins. Now that's important because that's what you see with our larger intermediate and senior peers. That's going to put us on a trajectory to become a company that can actually generate cash and use that cash for growing the portfolio rather than relying on external funding, which of course we will consider. But it's really that first step to becoming self sufficient and generating cash and also having the benefit of those capital allocation decisions and in the future considering where that capital goes, if its returns of capital to shareholders, of course paying down debt in the near term. But it is important to reflect and show that the future does look quite strong with respect to free cash flow generation and margin improvement in the future.

Now taking a look at how that revenue growth benchmarks against our peers. What we've done here is, and again, I think this, this graph really speaks for itself here. Gold Royalty does offer the most or the highest top line growth versus its peers. And this benchmarks the junior peer set in particular. If I did plot the seniors and intermediates on here, of course it's going to be more revenue, but the growth rate would show Gold Royalty at the top. Now, again, because we only put guidance out for 2025, the 2026 and 2027 numbers are simply the median of broker estimates for revenue in each of those years. So because we have access to platforms like Factset for instance, we can take the information from there and plot it on this graph. So we're not manipulating these numbers in any way. It's just what the market is projected for, for where our peers will compare. So what you'll see here also is Gold Royalty on a trajectory to generate cash or revenue that approaches $50 million a year by 2027. And when you move forward to 2029, since we did put out guidance there, it's not in this graph. And you take the midpoint point of that GEO range, call it 25,000 ounces or so, and use current gold prices, you're looking at revenue approaching $100 million. Of course, you've got a broker consensus deck which may be lower than current prices, but that just speaks to how this company will transform in the coming years with our current portfolio. And Jackie, you will talk a little bit more about with the assets as well.

Just moving on to operating costs. So firstly, I think it's important to look at the whole put picture here. I could say G&A, but what you'll see here is operating costs, that's G&A inclusive of project evaluation expenses. And that could be corporate development costs as well. And I say that because when you're benchmarking against peers, a number of our peers will report a G&A line and a business development or project evaluation line. It's a matter of choice, a matter of reporting preference. We as a company, almost all of our costs are in the G&A line. If we wanted to split it up, we could allocate certain business development expenses, salaries, etcetera, into that project evaluation line. But we haven't. But to look at a true comparison versus our peers, I think you have to look at G&A and project evaluation together. Now, like all royalty companies, our biggest asset outside of the assets we hold assets would be our employees. And employee costs do make up a component of this G&A. I'm proud of the team that we have at Gold Royalty. We've built a team that is well suited for the stage of this company's development, but also well suited for where it will go and where it will be. I don't foresee a need to change or augment this team going forward. We are able to keep and manage external costs, project valuation costs because we do have in-house capabilities in technical resources, we've got corporate development resources and we have a strong finance team and IR team. Now we do believe that that is important. We believe that disciplined but active management of our portfolio is important rather than just being caretakers of a portfolio. in the event a situation comes up and needs to be evaluated, we don't want to be going out to consultants and paying high prices for consulting work when we do have that capability in-house. So I think we do have a very solid team and as we grow, I don't see the need really to augment the size of the team and the cost associated with that.

Now there are a few other unique factors that impact our operating costs as well and these are what I would call benefits to us as well. So one of it is the fact that we're the only primary US-listed company on this list. The other peer that's only US primary listed is Royal Gold. Now when you have a primary listing in the US it comes with additional costs associated. We've got additional US legal costs. We have SOX compliant requirements. We have just in general being listed in only the US, our D&O insurance tends to be higher than some of our Canadian listed peers. Those are costs that are unavoidable. That being said, and I'll talk about this a little bit later, we do enjoy the benefit of being US listed - in particular, very strong liquidity, strong U.S. retail presence. Those are elements that again justify the cost in my mind. The other embedded cost we have that again generates returns well in excess of the G&A cost is associated with our Nevada office and Nevada business. Now we have an employee based in Nevada, Jerry Baughman, who many of you know. That business is able to generate between $2 and 4 million a year. It has in the past and we expect it to be continuous revenue generator. We don't expect to see meaningful cost changes, additions there, but it comes with additional overhead. We do have an office there, we do have an employee there. Some of our peers may have a single office. Again, we do have that as a benefit and is a very strong part of our business that contributes going forward.

So when you put it all together and you benchmark against our peer set, Gold Royalty does compare with the number of the peers on here. It's roughly in line with the junior average. Again, if you normalize for a Nevada business and the US listing costs, we would be below that average. So generally speaking I do have some comfort in where we compare from a cost perspective. And when you look at the seniors, the intermediates in particular, there is a meaningful step change in their cost profile versus ours. So that's just to compare where we sit versus our peer set there.

Now, turning to the balance sheet in particular, just speaking to our financing decisions in the past and how we see our balance sheet moving forward. So how have we deployed our capital to date? As previously mentioned, roughly 24 months ago we began that process of optimizing our operating costs but also looking to add those quality cash flowing assets. So Capstone in August of ‘23, Borborema in December ‘23 and then Vareš in August of ‘24. It increased the number of cash flowing royalties which was essential. But these in particular were transformational additions to our portfolio when it comes to benefiting Gold Royalty from a liquidity and cash flow perspective. In particular, when we take a look at what our last 12 months revenue was going into these acquisitions and we take a look at what the average life-of-mine revenue we could get from these assets, it equated to between 20 and 75% of that of that revenue before looking at the acquisition. So these were assets that were generating revenue straight away and could benefit us to close that gap that we had with respect to our operating costs versus where we needed our revenue to be. So very, very additive in that sense and critical really to close that gap and really put us in a position of positive operating cash flow in 2024 and positive free cash flow in 2025.

So in terms of the financing decisions, it was really governed by considering a few things. Of course, cost of capital. John mentioned where our current revolver cost of capital is - actually SOFR's come down a little bit - it's closer to 7.5% at the moment. We take a look at of course our market and financial position going into making those decisions, the prevailing market conditions and the availability of certain sources of capital at the time of each transaction. Now Cozamin required $7.5 million of cash for the acquisition. We had cash on hand and used our credit line, it was available, quick execution and low cost. In the end of December, we were in a position where our share price declined a little bit through the year. We wanted to avoid equity dilution. We did have the opportunity to add some strategic investors to the mix through the convertible debentures in Queen’s Road Capital and Taurus Funds. We did end up negotiating a cooperation agreement with Taurus at the conclusion of that. But it was also an unsecured covenant-light capital that came into the, into the company that could sit alongside our current credit line. When it came to Vareš again in June 2024, we did use some of the additional available capacity on the RCF - because we had added Borborema and Cozamin before, we were able to increase the size of that facility. There was a window in the equity markets. I do hear the questions that were asked and the answers given on that equity. I think one of the realities also is we were at a point where we needed to add more institutional investors to the mix. We didn't have a lot of capital available at the time. We were able to bring some institutions in with that transaction and Jackie's done a great job at adding more. And we did see this as a material transaction that added considerable revenue in the near term. So we did see that as something that should garner more credit. And we are starting to see our share price improve and hope the market's seeing more value in that Vareš asset moving forward.

Just turning to the next page, just more of a table summarizing our capital structure at the moment. So the numbers here are a little bit stale, I think given that we've had an uptick in our share price from a market cap perspective, I think now we're around $370 million market cap and an enterprise value of around $440 million. I think what I'll say here, and this summarizes some of the points I've already mentioned: we do enjoy the benefit of very supportive lenders led by BMO and National Bank. Our banks understand our vision and see the future cash flow potential of our assets which is really reflective of the terms provided.

The revolver has a three year maturity and a SOFR plus 300 margin. That's very much in line with the junior royalty and streaming peers. So as previously mentioned, when it comes to capital allocation as we revolver, that will be the first debt that we will start to pay down through the course of the year. But again we do enjoy the support from our lenders.

Second, the convertible debentures, $40 million in converts. We brought Queen’s Road Capital and Taurus on board There are benefits to those relationships. They bring advice when it comes to assets that are currently in the portfolio that they may have interest in or familiarity with. They provide a potential source of ideas and opportunities when it comes to partnering in the future and potential support of additional capital. So we do enjoy that benefit on a regular basis. Those debentures have a five year maturity in December 2028. There's an early redemption option in December 2026. The conversion price is $1.90. In 2028 they have an interest rate of 10%, 7% cash and 3% PIK. Again, that was helpful to have the lower cash interest to help with our liquidity in the near term. But again it was very helpful financing at the time we did our acquisition and we do see benefits of that relationship going forward.

So the last slide I'll touch on is on trading liquidity. It's sort of tangential to the capital structure chart there. Again, one of the big benefits that we offer as well as a company there's, there's almost 2 million shares traded and $2.8 million of value traded per day on the New York Stock Exchange. What that means is that investors can come in and out of our shares in more meaningful sizes and positions without having a long tenure of hold. When you look at the days to, to turn our float, which is the graph on the page here, 81 days is only second to Sandstorm in the whole royalty and streaming universe. So it's one of the benefits that we offer that some of our peers don't offer in terms of liquidity for investors.

We also number of you in the room enjoy the coverage of six research analysts which means that there's, there's numbers out there in the market and traders and salespeople that have flow of our name coming through the desk which is also helpful for our liquidity going forward. So with that I'll stop here and pass on to Jackie to talk through some of the assets and we'll do Q&A after that.

Asset Updates

Jackie Przybylowski, Gold Royalty Vice President, Capital Markets
So I'm going to talk about a few of the assets. Obviously we've got some of the guest speakers coming up in the last hour of the Capital Markets Day so we're not going to touch on those assets to duplicate, but I wanted to talk about a few of the assets where I think it would be helpful for a few modeling and guidance points.

So as David mentioned previously, we published the 2025 and 2029 guidance back in March with our Q4 results - just to give you an idea of the outlook for the year ahead and more importantly our confidence in the longer term growth potential for the company. And in this session I want to dig a little bit further into some of the growth projects, and how we're thinking about the contributions to our GEO production. I'm going to start with Granite Creek, but we're also going to talk about REN, Boborema, Côté, and Vareš.

Granite Creek, operated by i80 Gold, it's located in Nevada. We have a 10% net profits interest or NPI royalty on the full property that's uncapped with no buyback. We classify Granite Creek as a development asset in our pipeline even though it's already in production, because the royalty hasn't paid us yet. It's common with NPI royalties such as at Granite Creek that the operator will have an opportunity to recover the capital spent before it pays the royalty and that's where we are today. As a guideline you can see in i-80 Gold's most recent 10-k filing that the book value of Granite Creek was about $93.5 million as at December 31, 2024 and the PEA filed in March indicates an additional $105 million to be spent at the Underground and $294 million to be spent at the open pit in additional project capital costs through the life of mine.

The underground mine is expected to reach steady state production in H2 2025 and would be producing against this balance until it's fully recovered and when we start to get paid, which we assume will be several years away at the earliest. Most of the analysts covering us assume first revenue to us from Granite Creek in 2028 and we think that's probably a little bit earlier than we would want to expect those revenues we don't include. I'll just mention we don't include significant revenue from Granite Creek in our 2029 outlook. So in the meantime though, we do want to talk about a few of the catalysts and projects events that are coming up for Granite Creek. i-80 is expected to deliver exciting catalysts, especially at the underground, which the company has called its highest priority asset and project. The company raised capital last month was an upsized bought and private bought deal and private placement for gross proceeds of over $184 million. We expect these proceeds will fund exploration and development at Granite Creek underground in Q4 2025 and ramp up to its full steady state production level of roughly 60,000 ounces of gold production per year; that will be achieved later this year. As 2025 is a ramp up year, i-80 has guided to production of 20,000 to 30,000 gold production ounces of gold production this year. Other important catalysts at Granite Creek include the permitting, construction and production at Granite Creek open pit, which i-80 expects to achieve by 2029.

On REN - REN is the underground extension of the Goldstrike mine which is part of the Carlin complex at Nevada Gold Mines in Nevada. It's owned by Barrick in Newmont and it's operated by Barrick. We have a

1.5% net smelter return or NSR and a 3.5% NPI royalty on the full property and that's also uncapped and with no buyback. REN is located north of the Goldstrike Underground's Meikle and Banshee deposits. The property currently is delineated measured in indicated resources of 60,000 ounces which is 0.1 Mt at 11 g/t and inferred resources of 1.6 Moz which is 7.4 Mt at 6.6 g/t. But the property has significant potential for future expansion, especially after the development of two additional exploration drilling platforms are completed. Until recently we've had very little information about the development plans for REN, but Barrick has started talking about the asset in more detail beginning with its Q4 2024 MD&A and in its Q1 2025 MD&A, both of those are available on Barrick's website. Barrick is guided to full production of 140,000 ounces of gold per year on a 100% basis, and for this run rate to be achieved sometime in 2027. We expect that our 1.5% NSR will be paid relatively shortly after production starts. However, similar to the Granite Creek NPI, we know that the NPI at REN will not be paid until Nevada Gold Mines recovers its initial capital. As of March 31, 2025, the project's total estimated cost was $410 to 470 million and $95 million of that budget had already been spent, and that's all on a 100% basis. The full potential of REN, including the NPI isn't reflected on our 2029 outlook. We've only included the NSR portion in this disclosure and analysts should be careful they are not overestimating the contribution from REN in the medium term, although we continue to be very optimistic about the potential for contributions from REN in the long term as the NPI comes into effect. Further upside could also come from exploration. REN currently has just under 2 Moz in measured, indicated and inferred resources, but this could grow with future drilling, especially drilling from underground when the planned exploration drifts are completed. A higher resource could extend REN's life of mine and could support increased near term production through the existing Goldstrike and Carlin complex infrastructure.

So those are two assets we think that you have to be a little bit more cautious on. But the other ones that we want to talk about we think are very optimistic and we think the market is definitely underestimating.

So we'll start with Borborema. Borborema, operated by Aura Minerals, is located in the Rio Grande do Norte State in Brazil. We have a 2% NSR in the entire property and the option to convert a portion of our gold-linked convertible loan into an additional 0.5% NSR. The royalty steps down to a 0.5% NSR after 725,000 ounces of payable gold are produced. The remaining 0.5% NSR will be subject to a buyback after the earlier of 2.25 million ounces of gold payable are produced or the year 2050. So there's a lot of numbers. To summarize, we have a 2% NSR until 2029 that increases to a 2.5% NSR in 2029 when the gold-linked convertible loan matures and we exercise that option and then it decreases by 1.5%, so net down to 1% on delivery of 725,000 ounces of gold, which we think will happen sometime after our 2029 outlook.

The gold-linked loan pays us 440 ounces of gold per year through 2029. When the loan matures in 2029, we have the option to take repayment of the $10 million. Or we have the option to convert half of our gold-linked convertible loan into an additional 0.5% NSR as I previously mentioned, which would then give us a $5 million lump sum repayment on loan maturity. Borborema has about 812,000 ounces gold and probable reserves and has the potential to convert an additional roughly 2 million ounces of gold into reserves when it receives permits to relocate a highway that is currently bisecting the orebody. Aura expects to receive these permits in Q3 2025. Highway relocation would take a couple of years to be completed in about 2027. Concurrent to the highway relocation project, Aura intends to expand the operation from the current 2 million tonnes per year and this expansion would be completed around 2027 as well. While Aura hasn't given formal guidance around the scale of a potential Borborema expansion, it mentioned in its December 2024 Aura Day that the company initially had considered both a 2 million ton per year or 4 million tonne per year production scenarios. It chose to start with the smaller project, but it would consider upsides now that the asset has started operating. So I think that 4 million tonne per year run rate would be a reasonable expectation for once the expansion is finished.

On to Côté - Côté is owned by IAMGold 70% and Sumitomo Metals Mining 30% and it's operated by IAM Gold is located in Ontario, Canada. We have a 0.75% NSR on zones 5 and 7, which is the southern portion of the Côté pit. Côté reported first gold pour on March 31, 2024 and commercial production August 2, 2024. It is ramping up to full production run rate now. Also to note, Royal Gold and Metalla have royalties on different zones within the Côté and Gosselin property, and just recently on May 27th of this year, Franco-Nevada acquired an existing 7.5% gross margin royalty on nearly all of their reserves and resources for over US$1 billion with an option for Sumitomo Metal Mining to buy down up to 50% of that royalty. Our royalty is on the southern portion of the pit which represents some of the pit's highest grade resources. For the mine's life to date, ore from our Zone 5 has represented about 40% of the total ore mined by IAMGOLD in each period. However, IAMGOLD has noted, including most recently in its Q1 2025 MD&A, that it will shift its priority for mining and stockpiling activities to a more efficient mine plan which is intended to reduce rehandling of stockpiled ore optimized for future expansions. With this shift towards a more efficient mine plan, it's logical in our view to assume that mining operations could prioritize our higher grade Zone 5 material, increasing our portion of ore mined above that 40% level for the next few years. As a rough approximation in our guidance and our estimates, we assume that our Zone 5 material is mined over the next few five or six years of production to about 2030 and at that higher than 40% level for the next few years. Looking forward, IAMGOLD could expand Côté to 40 or 50,000 tons per day from the current 36,000 tons per day mill throughput rate. This would better align with the current mining rate which is about 50,000 tons per day and expansion would be logical ahead of potentially combining the Côté and Gosselin pits into a future super pit. Even though we don't have any royalty coverage on Gosselin, we do have coverage on Zone 7, which is currently outside of the mine plan but could be incorporated into a future super pit design.

The last asset I want to highlight is the Vareš mine operated by Adriatic Metals in Bosnia and Herzegovina. We have a stream on 100% of the copper at Vareš and as is common with streams that we pay the operator 30% of spot copper price on delivery of our copper. So a modeling reminder to you all, Our stream pays us in 25 tonne copper metal increments referred to as warrants, which means that our production at Vareš doesn't translate directly to stream revenue to us, our revenue will be more lumpy than Adriatic's reported sales. Vareš has been ramping up to full production since first concentrate was produced February 27, 2024. The operator has reported significant progress in April with key metrics hitting monthly records that includes tonnes milled, silver equivalent produced, and metres of mine development. Adriatic continues to expect commercial production will be achieved in Q2 2025, so sometime over the next couple weeks. The company intends to ramp up to its full 800,000 tonnes per year run rate during H2 2025. It plans to expand to 1 million tonnes per year run rate in 2026 with minimal additional cost and to 1.3 million tonnes per year run rate in 2027 for a US$25 million cost, a cost which has been fully funded by the A$80 million or US$50 million institutional placement which was completed in February of this year.

Adriatic does not provide guidance on copper production or grades, but if we assume that grades and recoveries are homogeneous, our stream revenue should increase in proportion with the throughput expansions - and our 2029 outlook does include expected contribution from those projects. One last comment on Vareš before we move to Q&A: the media, Adriatic, and Dundee Precious Metals have each disclosed that Dundee Precious Metals is in discussions regarding a possible offer for Adriatic Metals. Dave mentioned this earlier in the session as well. Per UK law, Dundee has until June 17 to make a formal bid for Adriatic, but whatever the outcome of this or the future acquisition, our stream will persist at Vareš and we would not expect any impact to our revenues. So with that we can take questions for Andrew, for myself and for the rest of the team as well.

Rene Cartier, BMO Capital Markets
[inaudible] can you talk about any potential debt reduction targets and then the second part of that, just the convertibles, they are obviously in friendly hands, but also in the money. So how do you view that in terms of your capital structure there?

Andrew Gubbels, Gold Royalty CFO
Yeah, so in terms of. I think people got the question because we had the microphone. In terms of debt reduction targets, we don't have a fixed target at the moment. The reality is that we've just become free cash flow positive; we're not generating a whole lot of free cash flow until the coming years. If you sort of extrapolate from the first quarter, again, fairly consistent operating costs, the calculation of actual cash interest is fairly easy to do. If you take $27.3 million outstanding on the RCF at 7.5% interest, then 7% of cash pay on the $40 million of debentures and add it to the G&A will probably generate, given the 2025 guidance for GEOs, somewhere around $2.5 million or so of free cash flow. So that excess free cash flow through this year, which will probably come and be added to our cash balance through the back half of the year, we could use for debt reduction. Now that ignores any sort of non operating cash inflows, outflows. I don't suspect there would be a whole lot of that, but that's the only other factor that's not that could potentially change that, that number.

And then the second question you had just with respect to. Sorry, maybe you can repeat the second question quickly. That was converts. Right, sorry, yeah, with the converts. Yes, the converts are in the money at the moment. With respect to the converts as part of the capital structure, our convert holders haven't indicated a desire to convert their debentures into shares. It is likely to their economic benefit to hold onto it until closer to the expiry date. We do have that option to call or to repay the convertibles at the end of next year, December 2026. At that point in time, based on our calculations and looking at where we could be from a revenue standpoint, with cash flow generated and also availability at that time of the accordion feature on our RCF, we could be in a position to recapitalize that potentially with our revolver at the end of 2026. That being said, our debenture holders will have the option to convert at that time as well. So if they do convert into shares, we'll obviously not need the cash to repay the debentures. So the way we look at it is if we do have the ability to refinance that and to have it as part of a revolver we can pay back quicker over time, we'll do that. Other questions?

Brad Conacher, Richardson Wealth Limited
Yeah, could you just tell us who your largest shareholders are? I know Nevada Gold Mine still owns considerable. What their intentions are with that and have they expressed any, you know, outlook?

Andrew Gubbels, Gold Royalty CFO
The so largest shareholders would be Gold Mining Inc. and the Nevada Gold Mines. Both those shareholders are supportive haven't expressed any intention to decrease their stake or to sell it to the company. In terms of number…

David Garofalo, Gold Royalty Chair & CEO
It's a little over 5%, Brad. I don't remember the exact number but Kevin Thompson and I have a long standing relationship; he's their head of strategy. So we're in regular communication. And I'm still the co chairman of Gold Mining Inc. So I feel quite secure about that chair, your position as well.

Jackie Przybylowski, Gold Royalty Vice President, Capital Markets
So next up we'll have our guest speakers. We'll take another five or ten minute break and then maybe we'll get started a little bit ahead of 11 o' clock just in case we go over with the last session but maybe take another five minute break and then we'll see you back here in a bit. Thank you.

US GoldMining – Whistler Project

Alastair Still, U.S. GoldMining Inc Chairman
Welcome back from the break. I'm Alastair Still. I'm the Chairman of U.S. GoldMining Inc. One of the newest companies here. We're just two years old. This company was launched on the NASDAQ from the portfolio holdings of GoldMining Inc. And the royalty on the Whistler project which I'll be updating today, was one of the founding royalties of Gold Royalty when the company was founded just over four years ago. And just as a quick update as a new company on NASDAQ, also interesting and pleased to present that U.S. GoldMining was recognized as being included on the Russell 3000 this coming year for reconstitution day.

So the project itself is one of the largest gold copper projects in the US not owned by a major right now. It's in the state of Alaska. Excited about the development prospects here. Key in Alaska is that it's on 100% state land, which is critical and we've seen a lot of support, especially at the federal level recently. President Trump has had executive orders about unleashing the economic potential of Alaska, which is great news. That's combined with very strong support at a local and state level. So I think this is a great opportunity and timing window to advance the asset. We have just recently announced the start of a PEA on the project. Ausenco has been commissioned for that. That work is underway that will be released later this year. It's a large regional package and I also like to say it's the largest undeveloped project closest to Anchorage. So Alaska is a huge state and we're just over 100 miles away from existing infrastructure, including a port that's ready for our use. So that port and actually what the state is calling their “roads to resources” program was one of the catalysts why we launched this project. And this, this company actually being able to take a concentrate from a gold and copper porphyry system get it to port is critical. And the state has actually launched a “road to resources” program. They've already invested money on feasibility studies, alignments for that road. They've announced plans in the 2025 budget to start construction of it. That's a huge event for our company. We've heard a lot about roads and access in Alaska. The fact that the state is supportive here. It's being built entirely on state and actually municipality, the borough of Mat-Su where the port is located. Those are all key factors as well that should be able to see it get through to development timelines and the timelines for the road construction while we're at the expiration phase, the road is nice. It's not critical for us now. This is really for the future development of the project that really is a key catalyst for us.

The team itself. We've built this team up from scratch and specifically I brought in as a CEO, former colleague of mine from Newmont and Goldcorp, Tim Smith, who has lots of experience in the north. He led the team at Kaminak that made the Coffee deposit discovery. So a well experienced explorationist and we've put on our board including Alaskan resident and VP for Shell for a number of years. Laura Schmitz. We have local expertise: Ross Sherlock was an exploration manager for Kinross for a number of years, knows Alaska well. Lisa Wade was an environmental VP for Goldcorp with lots of mine building and operating experience. We have technical and financial experience on the board as well. So we built this company up, built a board up around it specifically to develop the asset.

In terms of a quick peek at the capital structure of the company, this is about as simple as it gets. There's 12.5 million shares issued and outstanding. That's it. Parent company GoldMining Inc. Owns about 10 million of those. So very tightly held structure, clean and simple, and trading currently at about just under $10 per share level.

The resource itself, this is the exciting part of the project. We've been in had two seasons of drilling on the project. We have significantly expanded the resource and we more than doubled the indicated portion of it. So there's a good conversion of inferred to indicated. This is the global resource we have illustrated here. You can see in the indicated category, well over 6 million ounces gold equivalent and the inferred another 4 million ounces. What we would emphasize here though is that within that resource we have a higher grade core that comes right to surface. I can illustrate that with the assistance of VRIFY in a few slides. And I would point out Gold Royalty owns a 1% NSR royalty on the property. And there's a further 0.75% NSR that can be purchased from a third party owner that owns that now. So within that resource itself, the key for us and what we're focusing in on the PEA is the higher grade core as a development target. We just showed you the total resource combined. One of the challenges, we have to address the challenges on projects, is it's a porphyry gold rich porphyry copper system. Those systems are large, they're typically bulk, they can be lower grade, and that was always one of the challenges. The deposit, what is the grade? But the key for us was that there is a higher grade core. You can see illustrated on the components of the resource here. The higher grade core holds together such that if you elevate the cutoff grade on the deposit, the combined gold equivalent grade jumps up to almost 1 g/t for about 70% of the total resource. So it's not a spotted dog effect. Sometimes if you raise up the cutoff grade, you see patchy higher grade components. This is a very solid consistent core, which is key and one of the reasons why we're targeting that in the PEA study. A simple cross section to help illustrate that: you can see in the cross section on the left, the high grade core comes right to surface and is plunging to depth. And in fact, the drilling we've just done over the last couple of years, we've shown the consistent nature of that. We've drilled 600 meter deep holes in solid 1g/t material down the guts of the high grade system.

The resource itself. Because of that high grade coming to surface, we think it lends itself very well to open pit mining. And one of the key attributes here which will come through in the PEA is the very low strip ratio. We've done a series of phases in the resource calculation such that in phase 1, the first phase of mining, this is where you get your initial payback, the grade is north of 1 g/t gold equivalent. And the strip ratio is almost 0, 0.08 very low. And all the way down even through to phase 3. We've got about 4 million ounces in the mine plan at that point and the cumulative strip ratio is still well under 1:1. So strip ratio is certainly working in our favor here. Higher grades early in the mine plan. These are important factors when we run through the PEA study.

So with the help of VRIFY, I can give you a quick virtual tour of the property from a few minutes. There's our location relative to Anchorage. You can see we're only 100 miles away. We can zoom in to look at the layout for the road and a couple of things to point out. You know, see obviously the population center of Alaska here in Anchorage. There's an existing port here at Port Mackenzie. This is a picture of the port here. This was built by the municipality of the borough a number of years ago as an economic development project. And quite simply we think they now have the mentality build it and they will come. They built a port but they didn't have a lot of access points to get to it. So this design by the state here, this would be the next line here in purple. This is the route for the road it's actually designed goes right to our airstrip. We couldn't have designed it better ourselves. It's not just for our project though. There's a number of mining projects in the district it's accessing, which is very important because it lets our team stay focused on developing our project. The state wants to focus on the road and that's their activity. That's a complete bonus to us. Let's us stay focused on growing our resource and showing the strong economics of it.

The project itself. We're going to zoom in and take a quick virtual tour. There's over 50,000 acres here of state mining land. So it's a very large scale property. And the first thing that jumps out is of course we have three known mineralized porphyries that make up the resource. There's two of them here, Whistler and Raintree. We've shown in the red dots. But what's important here we have a whole series of targets surrounding the deposits which are largely untested. We call this our porphyry cluster. And in fact the “Whistler orbit” is the term we use for it. There's a whole series of more than 20 porphyry type centers through geochemistry, through geophysics, which are on our target list to evaluate in the coming years. As we look at the deposit itself and the topography, it's actually good terrain here, very low elevation, where total height on the project is about 800 meters. So we're not dealing with high mountains, we're not dealing with glaciers. There's quite a modest elevation and relief. This is actually a bit of a virtual tour. You can scan through the property here, with the help of some drone imagery. We can see it's very amenable. And in fact the rusty brown material in the foreground of this image, that's the deposit coming right to surface where it was seen. And an interesting story and despite some confusion with the Whistler name, of course nothing to do with the ski resort several thousand miles away. The deposit was named in the day when the geologists were on their field mapping, they came across this rusty outcrop. One of the geologists got very excited. He was whistling and hooting, hollering, trying to attract the attention of the rest of his crew. That's where apparently the name Whistler came from. But whether that's folklore or not, I can't determine. But that's where the name stuck from anyway. We have an existing camp and there from camp we have road access up to the drill pads. So it's not heli supported, it's quite manageable from a 50 person camp we have established already.

The resource itself is well defined. We can see that here with our drill holes, total historic drilling on the property and modern drilling, there's about 70,000 meters. So good confidence in the resource is which is important. These are the resources at Whistler on the left and Raintree on the right showing the drill holes, showing the good confidence in it. The gold and copper occur together and we cycle through here. We'll show the resource and a couple of the holes we added. This hole here was of course one of our key highlighted holes. We drilled this last year and was over 600 meters at just over 1 g/t gold equivalence, which shows the continuity and consistency of that higher grade core of the deposit.

We can zoom out and we'll actually look also at the block models that make up the resource. And this is key to help illustrate the higher grade core. On the left again, Whistler; Raintree on the right is less than a kilometer away. So there's some benefits of having two deposits situated beside each other. You can first of all see the continuity and the size of these resources. At Raintree we do have a small proof of concept underground. That's not the focus right now, but it does help illustrate the fact that there's no drill holes at depth. There's also no drill holes at depth at Whistler, closing it off. So many of these type of deposits start life as an open pit and they can migrate underground as well.

But I think important to illustrate here is on the grade blocks, the Whistler deposit itself. We've shown things from the low grade halo at about a 0.3[g/t] which is the economic cutoff. We start stripping away those grades and I'll just go through a series of images to strip away the low grade. Now we're looking at 0.5g/t blocks. You still see a solid core of things. Strip it away further and we're just at 1 g/t and above. Really wanted to help illustrate the fact that's a nice solid continuous block continuing to depth and in fact is not closed off and is limited by the extent of our drilling. That's really one of the key attributes that comes out in our block model as we as we go through economics. In terms of drilling, there was additional confirmatory drilling done last year. These holes will be added into a mineral resource update this year as part of the PEA update.

But on an exploration side, I'm going to zoom over to the other side of the deposit to Raintree where it gets very exciting. It's not a large component of the overall resource right now, but we actually targeted an adjacent target beside Raintree. We did a step out hole some 500 metres away and we had a very strong intercept of 170 metres at about 0.9 g/t gold equivalent. Something unknown at this point, but just helps illustrate the scale and size of this deposit. When you can step out 500 metres and hit significant mineralization. This drill hole here in terms of the bigger scale, you can see how far out we are with mineralization there into a complete unknown target. With lots of upside to further grow this, which is of course good news for the Royalty company and the royalty we have on it. So that's a quick snapshot. You can see it in 3D of the deposit. We're very excited about the exploration side of it. We'll run two tracks of development here. The first being the PEA showing the economic nature and strength of the deposit.

Second key component of course is continuing to grow the deposit with exploration upside throughout. One quick image to show here, which I think is kind of indicative of that. This is an inverted mag image on the left in 3D and what we see is a deep seated batholith. So a big intrusion underneath the cluster of porphyries and when the porphyries poke up, sometimes they're called pencil porphyries, but they have a strike and dimension of about a kilometer plus or minus. We've identified one of those at Whistler and we've seen, I think it's close to 20 additional targets to follow up on. So porphyries often occurs clusters. We've got a number of them already identified. But the exploration targets here are numerous and have us very, very excited to pursue further.

In parallel as we go through the PEA because we've built up a team with past mine operators, mine developers, a strong environmental focus, we have a key focus on sustainability as well. We have started a number of our baseline studies and starting to plot out the path for eventual permitting and development of the project. So never too early to start on these fronts. And also very important that we've engaged with our local stakeholders. The indigenous groups in the area are very business focused in Alaska, which is good news. They want to see development, they want to see jobs in their territories. The nearest native village is some 40 plus miles away, so we don't have proximity to that.

Every river or every body of water that touches the ocean in Alaska will have some impact of salmon. We're very fortunate in the river closest to our deposit drains actually into the Cook Inlet which is the Port of Anchorage area. So not a major commercial salmon fishery for the state.

So all good factors have us all very excited about developing this. The PEA will be key this year. That will help populate and formulate models. Certainly Whistler does not occur in the five year forecast for Gold Royalty, but I think could make up the next component of five year modeling after that. So happy to provide an update. Any questions?

Brian MacArthur, Raymond James
Sorry, my question just relates to the road because there's been AIDA has tried to build a few roads in Alaska recently. Is it all on state land so that that's not going to be held up by Washington or somebody else?

Alastair Still, U.S. GoldMining Inc Chairman
It's on state land and borough land. So the first 18 miles is in the state, the Department of Transport, budget for this coming year, starting later in the year and building out in the next year or so. That starts at the port end and actually makes its way over the largest river crossing. Those get done in the first 18 miles. And I think the strategy for that road, all state land, all borough land for the first part of it helps with the permitting. And their slogan that the state has been supportive of is “access for all Alaskans”. They want this to be a public private partnership so that people in Anchorage, where most people in the state

live, can access their own resources to go hunt and fish in their own backyard as well. It's a great strategy.

Heiko Ihle, HC Wainwright
Hey, Alistair, thanks for taking the question. On page 57, you had the exploration potential. You want to maybe go through a couple of areas where you saw things you may have not really expected, or did everything more or less go as planned? Because I mean, from what I understand there were a couple of areas that were favorable surprises versus where you maybe mentally stood beforehand.

Alastair Still, U.S. GoldMining Inc Chairman
Well, it's a good question. And I don't know specifically my page numbers are a little different than yours in terms of what, what page you were looking at. But I think first of all was that the near term focus has been, in the first two years is really trying to better define the existing resources itself. So that's been the focus of our drilling. The hole that we did target out to the south and east of Raintree was certainly a very pleasant surprise with the mineralization we have there, albeit the mineralization looks a little different. This had gold and copper, but it was much more silver rich. It had a bit of zinc in it as well. So we're not sure if that's peripheral mineralization to the existing porphyries we've discovered already, or is it indicative of another porphyry that might be on the other side of it. So that's a very important hole we want to follow up on. I think our next phase to develop some of the other regional targets that show up on this cluster map here would be up to the northeast of the deposit up in this area here where there has really been very limited work. We think we can do some very cost efficient, either RC or even some sonic drilling in that area to test through cover. It's quite shallow there, but test through cover to see if the porphyries are there. One of the things we're confident on is that we'll find additional porphyries. Of course, the key is, are all porphyries mineralized? And we know they're not, but we have over 20 targets. So I think it's a very good chance that we will find additional mineralized porphyries within that. Okay, thanks very much.

Wallbridge Mining, Fenelon Project

Jackie Przybylowski, Gold Royalty Vice President, Capital Markets
I realized I made Alastair introduce himself. That's because he's part of the Gold Royalty team. But I will introduce Brian Penny. Brian Penny, CEO of Wallbridge is here to present on the Fenelon project. And thank you Very much for coming Brian.

Brian Penny, Wallbridge CEO
Thank you. And thank you to the entire Gold Royalty team for organizing a great event today. It's great to participate and it's great to see you in face once again, David. Anyhow, I'm here to talk about Fenelon. Fenelon is our key asset. You know, Walbridge is a company that went back 25 years. Started off as a base metal explorer in the Sudbury Basin. So about eight years ago a decision was made to acquire a small postage stamp 10 and a half square kilometer property in the middle of a big property position held by a company called Balmoral Mines. That's where all the resources lie today. To put it in perspective, it's on strike to the Detour Lake mine, Canada's largest gold mine on the Ontario side of the border. And we

have two discoveries, Fenelon and, further behind, Martiniere. But you know, we've got quite an attractive opportunity here. Our property position is 830 square kilometers. Everything in blue, we own 100% of; everything in gray, we're either earning into or in the case of Detour East, Agnico is earning into that property. And the reason why we entered that deal five or six years ago, it was so far away from the core of our business to have somebody working the land, I'd rather own we will be diluted down to 50% if they finish their spending this year, I'd rather own a 50% of something than 100% of something that's stuck.

Yes, because we've been around for 25 years. We do have a billion shares outstanding. We recognize that we have three strong shareholders. Eric [Sprott] owns 15%, Agnico owns 9.9%. And they Kirkland Lake first bought into us when Tony was the CEO of Kirkland Lake. It goes back about five or six years. And since then Agnico has participated in all the financings to maintain their pro rada share. And going back to when we were base metals explorer in the Sudbury Basin. A group out of Sudbury, William Day Construction, a very large earth moving firm in Northern Ontario. They bought 5% and they still hold that stock today.

Our team, my background, although David did highlight it, I was the first CFO of Kinross from 1993 to 2004. After the merger with TVX, Echo Bay and Kinross. It was time to move on ,I was a little burnt out. I was going to take some time off. A month later I ran into Randall on a street corner in Toronto. He said I got a great idea for you and it was Western Goldfields. So Western Goldfields was about to go bankrupt and we managed to raise some money, hold off the banks, get the permits in order, financed the reactivation of the Mesquite mine in California, and then a few years after that merged it into New Gold, which I ran with that for about 11 years thinking I was going to retire again. And a friend of mine who was on the board of Walbridge called me and said, we need help on the financing side. Would you like to come and help? And I said, okay. And here I am seven years later.

Our board is diverse. Brian Christie is the Agnico nominee on our board. Brian is a great mentor and guide and I've learned so much from him. Danielle is a Quebec-based geologist. Michael Pesner is a retired partner from KPMG and chairs our audit committee. And Jeff Snow, you probably all know he was in house counsel at IAMGOLD. And Janet Wilkinson is our chair of the board. She's an HR expert.

Yes, we don't have a technical expert on the board on the engineering side, we lost that when Tony left our board to focus on his opportunity in Timmins. But the board has, if they need that support or the tech committee needs that support, we will bring it in. We're a small company, we can't build a large tech services team, so we're relying on third party providers to provide that. And then when Marz retired about 18 months ago, he was a previous CEO and shortly thereafter the VP EX decided to go work for Rio Tinto in Vancouver. I called Mark Peterson. Mark and I worked together for 11 years at New Gold. He's a great economic geologist and he's been a great addition to a team because we have a bunch of young talent up at the site that Mark could mentor and guide.

We are focused on ESG. We have three first nations partners, two Cree communities, Waskaganish and Washaw Sibi, which we have pre development agreements in place. An Algonquin community called Pikogan, we're working on a pre development agreement. We run as if we have pre development agreements. About 25% of our workforce comes from the first nations communities. We have weekly meetings and monthly meetings to different groups really working on planting the seed for ultimately negotiating IPAs at some point in the future. We've got a great environmental record. Our safety is second to none. It's been six and a half years since our last lost time incident and, focused on transparency, ethics, etc.

I won't go back and give you a 25 year history. Let's just about talk about, in 2019 we had our major discovery. We were drilling, looking for extensions to the Gabbro zone which we did a bulk sample from. Unfortunately as we drilled through it was very podular and you know we found Area 51, Tabasco, Cayenne and Area 51. The name, it was the 51st hole we drilled on the property, so hence the name. The geos had a bit of fun there. We liked what we saw on the posted sustain property. We did a capital markets transaction, bought all of Balmoral. In 2020 the old nickel assets are sold off and gone. And recently in March of this year we published a new technical report, a new resource estimate and the results of a PEA focusing on a smaller size operation. We can always expand into the future but focusing on the quickest path to commercial production.

So looking at the results, 3,000 tonne a day mill. This analysis was done at $2,200 gold, which was analyst consensus gold price in February. Later on we have a sensitivity up to $3,000 an ounce. And I looked when I was at a conference in Quebec City last week, I was doing some reading and I see analyst consensus price right now, now is somewhere around $2,600 an ounce. So we have all those sensitivities a little later on. Annual strong cash flow and again all these dollars are in Canadian except the unit costs. So decent sized production, good cash flow, focused on initial capital. Focused on when we put our estimates together, how do we manage permitting going forward? 3,000 tonnes a day is more manageable because at over 5,000 tonnes a day you have to have the feds and the province in your permitting room. When 3000 is only the province. Focusing on what do we need to do to win the support of our First Nation partners going forward. Our tailings plan is for dry stack tailings. We are in the Hudson's Bay lowlands. There is glacial overburden around us. So we need to be proactive and plan for dry stack filtered tailings. A little bit more expensive but will help with the timelines. The underground operation. This last study that was done three years ago had sinking a shaft, smaller tonnage, we don't need to sink a shaft, take that risk off and that cost off. Focus on extending the ramp, the bulk sample, the ramp goes down that was completed in 2018 and 2019. Ramp goes down about 120 metres. The whole ore body goes down to about 800 metres. So we can manage it efficiently from that. The whole thing is based on pace backfill all the way, staying underground, other than some initial development which would go underground at the end of the month. So looking forward at mitigating as much risk up front.

And the economics at $2,200 gold, 21% IRR. Not bad and a payback of four years. So the study's only on Fenelon and Fenelon alone.

So when we built this we went to first principles. You know, we took the existing infrastructure which you can see it's labeled there, Gabbro Pit. I believe it's called open pit. Yeah, that's the existing infrastructure that we're going to expand upon. The whole ore body system sits in a cube of about a kilometre. So quite manageable. It'll be mined using transverse and long hole mining. It was interesting. I have a VRIFY presentation in the Quebec conference. I was turning around and two engineers were talking to me and said oh yeah, this is transverse. How do you get that? I'm a CPA by trade, but they obviously know their stuff. Did various trade offs and everything is based on first quarter of this year cost. So this is as current as current can be. And I'm very proud of the team because we actually filed our technical report the same day we issued the news release, which for junior companies is definitely not a path that is usually followed.

So what it looks like: two years to build it. Ramp production for 15 years, 14 and a half to 15 years. And at the end of the mine there's a small open pit resource that surrounds where the existing portal is. So ideally it would be great if you could seed the mill with that, but it could jeopardize the infrastructure in place. So it'll be at the end of the mine life. Based on what we know today.

One of the biggest assets we have is the blue line that goes across the bottom of the screen is the James Bay hydroelectric line that feeds power into southern Quebec and upstate New York. The blue line heading to the top of the screen is 27 km of power line we would have to build. We are in discussions with Quebec Hydro. We've applied for an allocation. They've told us we won't formalize this until you have your feasibility study done. But we keep reminding them that we're here and we're working proactively with them. The other day I mentioned with our Cree partners, this and they said, oh wow, we did a deal with Windfall and we could help you build it. And so, there are opportunities to optimize it as we go forward. There's a schematic of the proposed layout. Very tight. The dry stack tailings is the right way to go. And there's a tiny little waste pile that will ultimately go underground at the end of the mine life.

We are in northern Quebec. It is a camp operation. The layout of the camp, everything that you see on that slide in white will be added. Everything in blue is currently in place. And it'll house somewhere around 200 people at any point in time. The team will be on either a 7, 7 or a 14 and 14 schedule. So, you know, transportation to and from Amos is key.

The flow chart is simple. It's a gravity CIL system. We had met testing done. 96% indicative recovery. And as a point of reference, the bulk sample, we did 35,000 tonnes in 2018, 2019. It was milled at the Camflo Mill in just outside of Val d'Or, and we achieved a 96% recovery. Myself being a CPA, I like checks and balances, Randall taught me that over the years, David.

Details of the capital allocation, obviously most of the costs are in the mill. That's where the dry stack tailings are in. We do have 4% royalty on the property. Gold Royalty owns 2% of that. And, that's factored into our calculations. Respectable total cash costs. Respectable. All in sustaining costs.

What's really exciting about this, and in the first five years, we actually average 127,000 ounces a year. The whole deposit has a mineral inventory of 3.5 million ounces. The PEA mine plan mines 1.7. There's room for expansion. Some of my engineer friends in the organization said, well, let's build an expansion into this study. I said, we're going to lose our audience. Let's focus on the quickest path to commercial production, and we'll leave the expansion for another day.

There's a chart of the annual free cash flow and the sensitivity analysis. You can see the last… These numbers are pretty small for an old guy…. The last line there at $3,000 gold, you know, your NAV is $1.4 billion, 34% IRR and a payback of two and a half years. That excites me. There's an opportunity here. And then, as we go from here, we need to figure out our next steps. The team, Mark Peterson and Mauro Bassotti, who was the reserve and resource guy at New Gold, are working on developing an infill program like how do we get to a prefeas? They're determining how much infill we need and we'll have answers later on this year. Mike Mayhew, who was involved in the Porcupine study, he's working on the engineering work. What additional work do we need to do to get to a prefeas? So we'll have answers to that later this year. And this side compares to the previous study that was done based on 2022 costs at 7,000 tonnes a day which is, even if we decide to go that the capex would go up because there's been a lot of inflation since the fourth quarter 2022.

So again the team that worked on this study was Mauro and Mark on the resources. InnovExplo did all the mine design and underground work G Mining, the mill design and metallurgy. BBA is heavy on infrastructure in Quebec and I brought in Mayhew performance because we when I was the CFO of Kinross and we bought the Macassa mine from Barrick in 1995 or 6. I forget what year it was. Pierre and Mike worked at Macassa so I've known them for a long, long period of time. Pierre is now the COO of Discovery Silver. So he's out of the room now. But Mike is still consulting and advising us because I'm not a technical guy, he's a great engineer and he's providing a lot of guidance because we don't have a tech services team - at some point in time we will bring a lot of this in house but now is not the time.

So we believe we're adding value to our shareholders. Our next step is to get a prefeas done. The team is working on right now: how many metres of infill drilling do we need to do to present an updated PEA, pre feasibility study, without jeopardizing or destroying the economics of the current PEA? So we can drill the whole thing and it will take a lot of money and a lot of time. But we need to find a comfort zone of how much drilling we need to do to be able to take it to that next step and the amount of time we need. Global estimate, I guess two years for a prefeas, two years for a feas and in the meantime, financing your IBAs, all that fun stuff and two years to build it so ties into your timeline.

Our other project is Martiniere. Martiniere is probably two or three years behind Fenelon in expiration. The reason why I bring Martiniere up is last Monday we issued a news release and there were some pretty splashy results here. Very encouraging, but it needs a lot of work. And is there a way, as we're looking to finance Fenelon's prefeas? Could we find somebody? Because this project needs 10 drills on it. We got one drill on it, but it provides news flow as we're waiting to figure out where to drill those in full flows at Fenelon. So is there a bigger company that would give us an upfront payment to earn into 50% by spending something each year? Those are the things we need to focus on to manage the dilution to our equity shareholders. It's too bad we have 4% royalties, that could have been part of it, but we will not add more royalties or streams to it. It won't make any economic sense to anybody.

So again, platform to grow. The resource is growing. Technical team is, you know, we're shooting above what juniors usually shoot at. And Quebec is the best jurisdiction in the world. They have a tax incentive called Quebec refundable tax credits. So if you incur expiration not funded by Quebec Flow through.

Because if you use Quebec Flow through, the Quebec investor gets the benefits. You get a cash refund when you file your tax return the next year. Last year, we filed our tax returns for last year very early. They're due in June and we filed them in April. And we're claiming a $4.8 million refund which goes into the bank and we reinvest in the property. It's like the Everready Bunny. It just keeps giving and giving. So it's a great jurisdiction and we're funded until the early part of next year. So we need to take our time, figure this out, figure the best path forward. And I can open up to questions if you have any questions. Thank you.

Discovery Silver, Borden Mine

Jackie Przybylowski, Gold Royalty Vice President, Capital Markets
I think those last two presentations were a really good reminder that even though we have 367% growth in 2029, there's a lot more beyond that. US GoldMining, Walbridge are major contributors to our growth in the longer term. That's very exciting. Our next presenter is going to be Mark Utting, Senior Vice President of Investor Relations from Discovery Silver. And Mark's going to talk about the Borden Project and the Porcupine Mine. Thanks very much, Mark.

Mark Utting, Discovery Silver Senior Vice President Investor Relations
Good morning, everybody. Mark. I'm Mark Utting. I'm senior vice president investor relations for Discovery. And basically, when you look at Discovery, I mean a lot of people know Tony Makuch. Brian mentioned Tony already. We get called sometime the Tony Makuch team. And quite frankly, I'm just fine with that. I've worked with Tony for almost a quarter century and people say, well, that's a long time to work together. And I said, yeah, I like backing a winning horse and I think that's what I'm doing. And actually Brian was kind enough to mention some other people, Pierre Rocque and Mike Mayhew, and they're part of our team as well. And I'd say that that comment probably is true. Very true for them as well. They're great guys. So most people know now we recently acquired Newmont’s Porcupine Complex in Timmins. We have a lot of history in the Timmins camp. I mentioned my time with Tony. We were Lakeshore Gold, Kirkland Lake Gold together, which was in Kirkland Lake, obviously and elsewhere, but thrilled to be back in Timmins.

And I'll tell you, in completing the transaction and making it happen, we've had the pleasure to work with a lot of different groups. It's been a real opportunity. Newmont has been very good to deal with. You know, we've had support from the Street. Franco-Nevada has been very supportive in terms of financing. Our shareholders have been very supportive and both existing and the new shareholders that we have. And I would say, I won't talk about the corporate level much, but the shareholder base now we have, I'd say is as blue chip as any you'll find. And more on the site level, we've had very good relationships with suppliers, very importantly with first nations groups. I mean, I'm going to direct a lot of my comments today to Borden, obviously. And you know, we have four key First Nations groups that we that are there. They all have impact benefit agreements or similar. They have been actively engaged in this process around completing the acquisition and making plans for moving forwards. And I know there's a real commitment and this comes from the Newmont world. And believe me, we know in terms of the impact benefits agreements we've negotiated in the past how important they are. But I know last year alone there was about $280 million of procurement and this is all Porcupine I'm talking about now about $86 million of that involved first nations partnerships. So this is a very important collection of assets in terms of our for first nations as well.

And then the people I mentioned being delighted to be back in Timmins and when you see the people in Timmins, one, I can tell you they're extremely excited about this transaction. I take investors up there. I had an investor tell me this yesterday. He went up for a site visit and he said, it's just infectious when you talk to the people at the mines, because they're very excited because they know investment's coming. And we are committed to managing these assets in a way that will maximize their value. And I think they see that too. And I always say, and I say this every time that I talk about Timmins. You know, I've been around a long time now, and far as I'm concerned, in the world of gold mining, you won't find better people than you do in Northern Ontario generally, and Timmins in particular.

I'll skip over the cautionary language. I'm sure you've seen it before and can look at it.

So this is just kind of an overview slide and I'm going to focus on Borden, but I think it's good to cover the bases in terms of what we've done. So we completed the acquisition with Newmont on April 15th. I know the slide says April 16th because it closed at 11:59pm so my press release went out on the 16th, that's why it says that. We acquired two underground mines, Hoyle Pond and Borden, which I'll be talking mostly about today. We have a new open pit mine, and that's Pamour. And then we have Dome. It's the Dome mine and Mill. The milling facility is the central milling facility in Timmins. I'll talk a little bit about that. It's very important for Borden because that's where Borden's ore gets processed. Dome Mill is currently not operating, hasn't operated since 2017, despite having a very large resource. This is a source of real opportunity for us. And then the entire land position is about 1400 square kilometers. So this is a very large land position in a very prolific gold region. So there's lots of exploration upside.

We did a technical report as part of doing the deal and the financing. It largely drew on Newmont's numbers because we just didn't have time. We're doing a PFS this year. But basically what it showed is average production of over 285,000 ounces for all of the porcupine complex per year over the next 10 years, with a total mine life of 22 years. That's largely because of Pamour. Economics: We're using current prices on this slide. I mean, you can scale it, but at $3,300 gold, it had an NPV of US$3.4 billion. Our share price is up a lot. But when you look at our share price and market cap compared to the value in what we regard as a base case technical report that we will improve upon and you throw in which in our valuation today we still say you're getting for free an option on our Cordero silver project, which we regard as the finest silver development project in the world today, I mean it's feasibility study at the current silver price has an NPV of about US$2.5B. I won't talk about it today, but I'm happy to if anybody wants to. You'll see we have a lot of upside left. And that's particularly the case that these the upside I'm going to talk to you about, none of that really is included in the technical report that we did.

Just at a very high level. Hoyle Pond, I'll just mention quickly, one of the things we've already found is very interesting is people know Porcupine, they've heard it, they know what it is. But as we went to conferences and talked to people, the sum of the parts is not something that's what well understood. And that's largely because I believe that for a long time it's been one line item in a very large company's results. And what we have found and the way we're going to be disclosing for these mines as separate segments is that we have a real information-providing exercise to do because the individual pieces aren't well understood. So Hoyle Pond is one of Canada's highest grade gold mines. In fact, it may very well be one of North America's highest grade gold mines. It started producing in 1987. David knows all this stuff better than I do, but started producing in 1987. It's produced 4 million ounces in that time. Outstanding track record for replacing reserves.

Tony likes to tell the story. When he was mine manager at Hoyle, I believe in 1997 they had 30,000 ounces of reserve. They produced 170,000 ounces that year and they've produced 3 million ounces since then. So there's lots of targets to drill there that haven't been drilled in recent years. So we're very confident that excellent track record is going to continue.

And then moving to Borden, relatively new mine. I think the first gold got poured there in 2018 if I'm not mistaken. It's starting its own track record of replacing reserves and replacing ounces mined. It's on a very large land position that I'll talk about - 1,000 square kilometers. And it's got tremendous upside. I know Tony told me that when he spoke. I think it might have been to you, David, but what spoke to Goldcorp about “well, if you're going to go and buy this, why don't you just buy Lakeshore because it's producing more and it's right in Timmins?”. And what he always tells people is “then I went to Borden and now I know why they did that”. Because the upside at Borden is tremendous and it's a very good mine and we can talk about that. But you'll see there it produces about 105,000 ounces a year as the average in the technical report. The 8 year Mine Life we don't believe for a second. I'll talk about that more in a few minutes.

And then Pamour is the new open pit mine. I won't spend a lot of time with it. 150,000 ounces a year, it's ramping up now in the second half of this year. All I'll say is lots of exploration potential and we think it's got the opportunity to become something much bigger and more valuable than what's currently in the technical report.

And I've mentioned Dome. In our technical report it had 11 million ounces of inferred resource. There's lots left, we believe at Dome. It's not in the economic analysis of the technical report. The analysts that cover us, and we pick picked up a lot of analyst coverage over the last month and a half, with one exception no one is including any value for Dome mine and that is a real upside opportunity for us.

This is just quickly the technical report production profile. Borden's in the silver here and you'll see the breakout by year. The arrows are important because it shows you that we fully expect, through investment, to be able to increase production. The arrow in the middle is important because we also expect to extend mine life and not to mention lower costs as we invest. So when we look at a Borden with an eight year mine life and a Hoyle pond with a ten year mine life, we don't expect that to be the case at all. We fully expect that those mines are going to be operating for a very long time to come.

And then looking At Borden, it's 20 km from Chapleau, Ontario, about 190 km from the Dome mill. I've mentioned the production level the year-by-year production and the technical report is there on the screen. Currently the mining rate is about 2,000 tonnes a day of ore and we definitely see an opportunity to increase the that. Hoyle Pond is currently operating about 550 tonnes a day and when Tony was there it was 1,200 tonnes a day. We think we can get it back up to 1,000. I wouldn't say the incremental increase is going to be as big at Borden, but we certainly think we could go from 2,000 to 2,400. We also think we can lower costs by optimizing the operation and partially by improving the grade.

The key things that we look at and we've seen at Borden are they've outrun the ventilation. There hasn't been the investment in the ventilation that's been needed. We're going to be looking at doing that so we can get more equipment and more materials underground. Looking at improving the fleet, some of the equipment is not optimal. It's resulted in larger headings than are necessary, and we're going to right-size that. Just improving some other basic processes. I know backfill, they're currently backhauling waste from Dome for the cemented rock fill and we're going to look at alternative sources. I won't get into all the details of the things that are being brought up now in terms of opportunities to optimize it, but clearly we see an opportunity to take this operation and improve it and we certainly see the opportunity to drill, to continue the mine life and actually to grow it.

This is by my own admission, not a great visual but I mentioned that it's a massive land position that they have. It's 1,000 square kilometers. Most of this land position has either been unexplored or at least under-explored. We're very interested over time to take a look at what's there. Tony likes to say that Borden in itself could have camp potential. Obviously that's a forward looking statement and there's got to be a lot of work done. But when you look at the size of the land position and the little area that's circled in red in the bottom left, that basically shows you where the mine is and where the resource is currently. So you can see we've got an ore body that's not drilled out at all. In fact it's open along strike, it's open at depth and then you've got this land position around it that we're going to look at just what the full potential. The majority of our attention at this point in time is on continuing to extend the mine life, continuing within the mine. And I'll show you some visuals here. But there's a tremendous regional expiration play here as well that we're going to look at.

This I took the liberty of taking from Gold Royalty's website because it was better than the one I could come up with. So this just shows you where the royalty coverage is. And you know it's important to look in the bottom there because those different colors are the mine workings and where the mining activity is going. So you can see it's from your perspective it's moving in the right direction. It's coming very much into where we’re paying the royalty. This is a shot I came up with and I want to stress here it's just cut at the right. That's not where it ends. So I wanted to show the other one first to show you that it keeps going. But this gives you a sense of where the different zones at Borden are. And you can see- I'm going to go into VRIFY now because it's a little easier to talk about the zones. But you can see that the mining is going. The portal's on the far left and the mining is going left to right, for lack of a more technical way of saying that. So you can see from the standpoint of the royalty, it's heading in the right direction.

This I'll go into VRIFY here and just show you. This is just an underground view. Doesn't have all the zones on it. But currently most of the mining is in the west zone. There is a zone on the other side, the far west zone that is now mined out. The west zone is where, and to some extent the central zone, are where most of the mining is happening right now. And you can see, I'm just going to take you. You can see that's the far west. Then there's the west and central. So you can see just going to come over in this area here is where most of the mining is right now. But we are beginning to, you know, we are developing further down and we are doing some production in the upper east zone. And then the far east zone we will begin development then there later this year. And the mining, I won't go year by year but essentially the mining is moving in that direction. We'll have the west zone will be mined out by the end of next year, early into 2027. But then we'll be fully in the Upper East and then I believe it's the Lower East zone we’ll be moving into there as well. And then on the far right here you can see the Deep zone. This is when I talk about the initial priority of drilling. It's to continue what they were doing, which is largely continuing to extend that existing mining trend. And that's very much what the priority is. But recognize we're talking about the current resource and the mining trend. And even though it wasn't a good visual, think of the size of the land position that we've got and that really nothing is driving drilled off here. So there is lots of opportunity to continue to develop this. And actually we like to say we like to do transformation stories. We like to take an asset and transform it into something much bigger and better than it was. I think we had some success at Macassa, we had success at Fosterville in Australia and we had success with Detour as well. So we look at all the assets at Porcupine and including Borden and we see there's that kind of scale up potential here.

And this just looks at the East Zone and again this is coming right into. This is right in the royalty area, you know, the known area of mineralization and geologic potential that we have. You can see it's a kilometer long and that's just where they put holes in. So far, we expect this to continue. I mentioned some of the limitations where there hasn't been investment. Ventilation I mentioned earlier is one of them. The current vent raise is over by where the portal is, which is on the far left. And they've been trying to put raises in and trying to do things without doing things like a doing a full vent raise. And by doing that you get into situations where you don't maybe have all the equipment you need or maybe the right equipment underneath there. And it is an electric mine from a standpoint. There's a fair bit of electric equipment there, but it's not all electric. There's still a lot of diesel equipment there. And we're going to look at ways of addressing that and continuing to look at electrification and other options potentially. But we're also going to put ventilation in over here and that's going to allow us to become much more efficient, get, equipment, materials, people, things like that. And that's going to help us optimize the mine.

This just is a visual that really is our drill program. Yes.

Eric Winmill, Scotiabank
Just quick question here on Borden and given the depth potential there, are you thinking shaft or maybe what would you want to see there before you made that decision or criteria?

Mark Utting, Discovery Silver Senior Vice President Investor Relations
Well, it's a good question because, I've shown you the direction of how things are moving relative to where the portal is. So at some point, definitely, and this isn't in, in the technical report, but definitely there's another vent raise that needs to go in because it's just going to improve the efficiency of the mine and believe me, it will pay for itself very quickly if we continue to have this success driving that section and then we'll see driving the deep zone essentially and then particularly if we have other drilling success there. You could get to a depth where you have to look at something like that. I can't tell you that that's actively discussed right now. What would you need, you know, you need an economic analysis of a shaft based on the ounces that you find that's going to make it worthwhile doing. And I think our priority right now is we see opportunities to do things that are going to materially, we believe, improve the performance of the mine in all respects that we're going to focus on that. But we need to drill more.

And to answer your question, we need to drill more and we need to find out what's there. And we talk about, it's not in this deck, I didn't put that slide in. But we do have a more detailed exploration slide on the Porcupine Complex in general. Our target is to sort of, we expect to spend about $50 million on exploration a year. And we did that well at Kirkland Lake Gold and we had Fosterville and Macassa even before Detour and then it just went to a different level. But we had exploration budgets upwards of $100 million. I think one thing that's very central to Tony's view of things is that you need to find out as quickly as you can what the true value potential of the asset you have is. And drilling is just such a fundamental way of doing that. We're going to be pretty aggressive, in a responsible, hopefully effective way, which I think we've demonstrated in different situations we're pretty good at it. But we're going to up the drilling and that's going to give us the answers that to the question that you have, I don't have a, I don't have a hurdle rate for ounces we need to find that I can give you. But it's going to be drilling. And we're looking at other things. I'm not talking too much about the other assets but Hoyle Pond has, you know, it has a winze, a rail, and a number one shaft. It's also got this big zone called the TVZ zone that we're very interested in. Alastair knows about that a little bit. That we're going to prioritize looking at: what do we need to find before we maybe try to address the way that infrastructure is working? I can't give you that answer either but I know that there's going to be a whole lot of drilling done to figure that out, and then we do the economic analysis. But that's sort of the way we see it and that's where I think the answers are coming, going to come from.

So that's just the drill program they've got for this year. The, I believe the gold is indicated to upgrade the resource. The blue is inferred and then the light blue is going after new resources and that's what they're focused on.

And then I've just got a slide on the mill because it is important. It's important for Borden, it's important for us because get down to free cash flow, that's what we focus on. The Dome mill's been operating about 8 to 9,000 tonnes a day. When Gord Levoy, who's another member of our team from Lakeshore and Kirkland days, he ran the Dome mill in the early 2000s and, or at least was mill general foreman and it was doing 12,000 tonnes a day then. We're going to work, in fact we've got already started working to get it back up to 12,000 tonnes a day. We've increased throughput already somewhat. You know, the cost they're getting now are over US$20/t; when Gord was there, he said it was sub-US$10. So I'm not saying we're going to get back to that level, but there's some pretty low hanging fruit in the mill in terms of things that need to be done that just haven't been done. I won't get into much detail. There's a very, you can't really see it on this visual actually, but there's a three stage crushing process with conveyors that run over a kilometer. And we're just gonna deal with that because that's expensive and, and the mill hasn't been received investment over the last few years that it's needed, and if we get, if we invest to get this back to 12,000 tonnes a day, we get the mill running the way it should be. Things that are broken that haven't been fixed, we fix them. Things like that. Hey, if we can knock anything close to $10 a tonne for all the sites off just by getting, optimizing the mill and getting it back to its full capacity, that's a meaningful contribution and that's, and that's something that will benefit Borden as well as all the other sites.

That's what I've got. So if there's any. I don't know if you want questions now or you want to wait until.

Agnico Eagle, Canadian Malartic Mine and Odyssey Project

Jackie Przybylowski, Gold Royalty Vice President, Capital Markets
We've got one guest speaker left. And it's Jean Marie Clouet, director of Investor Relations at Agnico Eagle and he's going to speak on the Canadian Malarctic mine and the Odyssey project. Thanks very much Jean Marie.

Jean-Marie Clouet, Agnico Eagle Vice President Investor Relations
So good morning everybody. I know I'm keeping everybody from lunch so I'll try to make it relatively quickly. So yeah, it's a pleasure to be here this morning with all of you for the Gold Royalty Investor day. As Jackie said, my name is Jean-Marie Clouet. I've been VP Investor Relations at Agnico Eagle. My background actually is in technical. I'm a mining engineer. I started at Agnico about 10 years ago in the project evaluations group looking at external opportunities. I did a bit of corporate development and the last five years I've been with the Investor Relations group. So today I'll go quickly through a high level presentation of Agnico. Most of you know it but like where are we are and where we want to be and then I'll spend most of my time on Canadian Malartic and the potential there and also there like where we are currently and where we would like to be, the vision we have for the camp. So I'll be making some forward looking statements. So please refer to the second page of the presentation. It's always very small reading but it's there.

Looking at Agnico Eagle, the company began about 60 years ago in Cobalt, Ontario. And from humble beginnings the company has grown progressively but consistently and is now the largest gold mining company by market cap. Pretty much aligned with Newmont. So it's a pretty outstanding progress over the years. Essentially we're really explorers, mine builders and operators. And we follow a very simple but consistent strategy that can really be summarized as a regional consolidation or regional approach to create a competitive advantage. And what do we mean by that? Like, you know, we operate really in geopolitical, geopolitical safe and stable regions. We've built decades of expertise in those regions. So we're a global company. We, we operate in four countries. Canada, Australia, Mexico and Finland. But the reality is like 85% of our production and of our value comes from three regions in Canada, so Northern Quebec, Northern Ontario and Nunavut. Our operations are regionally consolidated which allows us to be highly efficient. This structure allows us to generate synergies to control cost and build resilience to our business. In the regions where we operate we tend to be an employer of choice. We have about 12,000 people in Canada and very often multi generational. We have dedicated and loyal employees which allows us really to show one of the lowest turnover rates in the industry.

If we think about the supply chain thanks to our long standing presence, we have very strong relationships with our suppliers. It allows us to ensure we have consistent supply from a supply chain in times of crisis. But it also allows us to have volume discounts by volume. We have a very strong technical team that we can deploy across multiple sites. This mobility ensures that we're operating as efficiently as possible and we're continuously improving our assets. The technical expertise that we have, we're able to leverage it including the regional expertise to make capital allocation decisions that are based on a knowledge advantage and that's key as we try to build value over time. We are also known to build value through drill bit. We've always focused a lot on the upside potential and as Mark mentioned about Kirkland and like how they really build value through drilling, Agnico has been very successful also over time to build value through the drill of the different sites. So we're really disciplined in terms of how we spend the capital of our owners and we commit really to quality investments regardless of the direction of the gold price.

Our track record I think speaks for itself. We've been able to create and share value for the company, company and for our shareholders, essentially through two key aspects. One, we've been able to increase the gold exposure to shareholders on a per share metrics. If you look at production per share, growth, reserve per share or value per share, we've been able to really increase it consistently over the last 20 years. And that's really something that a lot of our peers cannot say. We've also been able to deliver leverage to the gold price and what we mean by that - through strong operational performance and controlling cost, we've been able to really deliver the increase in gold price through increased margins to our shareholders. And that has been key of our success over the last couple of years.

Moving to the - what we're looking forward to in the coming years, we're really focusing on five key growth projects. We provide our guidance in February. We've shown a stable production over the next three years at about 3.4 million ounces. The market expects that we'll have a bit of a production dip in 28-29. We had a similar expectations for 26-27 and we've been able to show and fill in that gap. We're working towards doing the same for 28-29. But what's exciting really is starting 2030, we see the potential for a step up in production as we bring some of these expansion and new development projects online.

Starting at Detour. Mark mentioned the drilling that happened there when Kirkland acquired in 2020, a lot of drilling. I think about 20 million ounces were added to resources within two to three years. 10 million ounces in reserves. We kept on going on that work and we've seen the potential now to bring that operation from the largest open pit gold mine in Canada at about 700,000 ounces of gold a year to a million ounces a year with the addition of an underground component. So that's fairly exciting given the size, the location and the 100% ownership of that asset. That's fairly unique on the western world

At Canadian Malartic. So that's the asset that really interests you as owners of Gold Royalty. We also see the potential in that camp to bring the operation to a million ounce. We're currently transitioning from open pit to underground where we see production to be about 550,000 ounces a year for the next 10-15 years. But we also see the potential to add new ore sources to bring that asset to a million ounce through additional potential second shaft and some satellite deposits in the region. And, and I'll go through that in the later slides.

In Kirkland Lake, close to our Macassa mine, we have the Upper Beaver project. We're currently developing exploration infrastructure ramp and a shaft there. We think we'll be able to bring about 210,000 ounces a year of production starting in 2031. So also an addition. In Ontario alone, we think we can increase our production by 50% from currently a million ounce to 1.5 million ounce to those two projects, Detour and Upper Beaver.

In Nunavut, we're currently producing about 900,000 ounces a year from two mines, Meliadine and Meadowbank. Meadowbank is coming to end of life in about 2028. We think we can extend part of the production probably down to 2035. But the real excitement there is Hope Bay. We're drilling aggressively there. We're advancing the engineering. We think by next year we'll have about 50-60% of the engineering done. And then we'll be able to communicate a project that will show about 400,000 ounces a year for years to come.

And finally in Mexico, our assets there are mature. They're coming to end of life. And focus is shifting towards the San Nicolas project. That's a joint venture with Teck. It's a copper zinc project. If we talk in gold equivalent, it's about 200,000 ounces a year that could come into the 2030s as well. Also. It's currently at the feasibility stage and permitting stage. And we hope we can provide a better update early next year.

But let's really move on to Canadian Malartic and really the excitement around that camp potential. I'll go through the history of the camp because I think it's worth mentioning it. This is a camp that has 100 years history. It all began with a discovery by the Gouldie Brothers in 1923. From 1935 to 1983, there was gold production from four underground mines that produced about 5 million ounces at an average grade of 4.4 g/t. Osisko acquired property in 2004 and began the redevelopment of the camp through open pit. Production started there in 2011 and produced since then about 8 million ounces, and we probably have about another 2 million ounces to go at the Barnat Pit before the open pit project is really completed. In 2014, Agnico Eagle and Yamana acquired the project jointly and form joint venture 50:50 to operate the mine. The partnership also launched an exploration program targeting the underground zones near the existing pits. The major breakthrough came in 2018 with the discovery of East Gouldie. And discovery was really instrumental to justify the return to underground mining and led the foundation for the Odyssey project. Construction of Odyssey underground mine began in 2021. By 2023, production started at the Odyssey South Deposit and really marking the new era of underground mining at Canadian Malarctic. Also in 2023, Agnico Eagle consolidated the ownership of the property and has continued expanding the land package with most recently the acquisition of O3 Mining and the addition of the Maraban deposit. Let's have a look at the production profile. So the project, the first update to the market was done in 2020.

We did an update in June 2023 where we really show the ambition for this project and the transition from the open pit to the underground operation. Essentially what we're doing is we're shifting production that processes about 60,000 tonnes per day at 1 g/t from the open pits to about 19,000 tonnes per day at 3 g/t.

Despite the lower throughput, we're maintaining production at around at 550,000 ounces per year until the 2040s. The project has been significantly de risked. We've converted about over 5 million ounces in reserves at this point in time. We've advanced quite significantly the construction and really on schedule and on budget. And the one point I would like to remind people is the production profile that you see here includes about 9 million ounces of gold. The resource, it's over 18 million ounces and we think can significantly add to it. And to that extent really we're looking to transform this asset to a million ounce producer, as I was saying, with the addition of new ore sources. The red line that you see on the graph is the mill throughput about 60,000 tons per day, currently down to about 20,000. That's where the opportunity sets going forward where we would be able to fill in that mill capacity and add quite a few ounces per year over the next few years.

This is a presentation of the different deposits that will be mined in the current project. If you think about it, there's like four different deposits. So essentially four different mines. The mining method across this deposit is consistent with what we do in the region. If you think about Goldex, which is a few kilometers away from this site, Goldex mines 8,000 tonnes per day. The biggest deposit here, East Gouldie will be at 12,000 tonnes per day. But let's go quickly through each deposit.
Odyssey South, as I mentioned, that Production started in 2023 is currently producing at 3,500 tonnes per day and production will stay there at that level until 2027. That's ramp access. There is potential to add to it as we keep on drilling, especially coming from the Internal Zones.
East Gouldie will be the largest deposit. Will be mined through a via shaft. Part of it at the beginning will be via ramp, but most of it via shaft. 12,000 tonnes per day. And it will really be the cornerstone of our production profile for years to come.
Odyssey north that's where gold royalty owns a royalty about 3% NSR. The production there is exposure to ramp up starting 2028. Coming to a level about 3,500 tonnes per day and extending to 2038.
And then the last piece is really the East Malartic. That will come towards the end of the mine Life. Contributing about 3,300 tonnes per day as we approach the end of the project timeline.
In terms of construction, we're really advancing well development. The ramp is ahead of schedule thanks to the automation efforts that the site has put in place. We've now reached a depth of about a kilometer. And we're simultaneously advancing the ventilation infrastructure for the mine. The shaft sinking has reached the midshaft loading station at about 1000 metre also. Most of the excavation this year will be atypical as we excavate the loading station and then shaft sinking will restart in 2026 with completion of the 1.8 kilometer shaft towards the end of 2027. We've commissioned a temporary loading station at level 64 that help us with the current development. The service hoist can hoist about 3,500 tonnes a day. And helps with the waste management and with the material for the support for construction.

In terms of the key milestones for the construction. We're currently working to the main house building for the main host due in 2027 28. The administration dry building, that's supposed to be done towards the end of the year. The ore silo underground will be done around 2027. The paste plant also done phase two done towards 2027 to support 20,000 tons per day production. And then finally the shaft sinking that would include all the ore handling system and the changeovers that should be completed at the bottom of the shaft in 2030.

The excitement in this project is really around the exploration potential. If you look at how quickly the mineral base has grown over the years, it's fairly outstanding. Starting in 2014, there was not a single ounce for underground material. The joint venture at the time set up the program. They were starting to identify the potential at Odyssey South and Odyssey North and the porphyry in between. The biggest discovery was really East Gouldie as we mentioned. And that's when the research started to grow quickly starting in 2018. As you can see, a lot of the focus at the time was really on the expansion. As we had started advancing the potential for the project, where the focus shifted to conversion to de risk the project as was in years 20, 21 and to 23. And now we're really starting to balance a bit more the exploration between conversion to support the development of the project, but also expansion again as we continue to grow the East Gouldie deposit to the east to the west, and we're also looking at the potential within the camp.

If you look at the section itself, the budget this year at Canadian Malartic in terms of exploration is $37 million for drilling of 216 kilometers. And we think we might be adding more in mid year. We currently have 24 drills at Odyssey between surface and underground. We also have five drills targeting the regional potential. The scale of activity really demonstrates the confidence that we have in the district. For Gold Royalty, maybe one aspect that be interesting for you as investors: if you look at the Odyssey North deposit that's right at the edge of the volcanics towards the deeper part of the deposit, the pink between the Odyssey South and the Odyssey North is what we call the internal zones. The internal zones are fairly complex in terms of mineralogy and mineralization. So they couldn't really be drilled effectively from surface because they require quite a bit tighter drilling. We're currently drilling it from underground. We're also mapping those zones from the ramps that we have underground. That will help us improve the interpretation and should add potential, should add ounces to our production profile from two aspects. One, from optimizing the stopes in the Odyssey South and Odyssey North deposit as we mine them, but also adding some new stopes really in the porphyry zone. And so we start seeing that as we're mining the Odyssey South, we see additional tonnes, we see additional grades in some of the stopes that we're mining. But there's quite a bit further potential. Guy Gosselin our EVP exploration mentioned that, it can see easily an additional 1 million ounces in that zone.

At East Gouldie itself really we've seen significant strike extension to the east and west. Our current interpretation actually suggests the mineralization can potentially extend towards the Canadian Malartic pit. We see it a bit as a structure that we start seeing as a keel of a boat. So we start calling it the keel structure. We keep on drilling to really to prove that potential. We're also seeing quite a bit of extension to the east. The key thing to the east is we're trying to prove another core, a second high grade core. So what we mean by that is about 2 million ounces at that 3 grams per tonne, that would support the economics for the second shaft. The second shaft in terms of our production profile that we saw earlier, what it could contribute to is accelerating some of production from those zones. So including the Odyssey North.

We're also starting to identify some parallel zones. As you can see on the cross section. The main one really that's providing some excitement is the Eclipse zone. It's very well located between the East Gouldie deposit and the Odyssey North deposit. So very close to planned infrastructure which again could help support the development of the second shaft, the economics, and we could add ounces of production profile with minimum incremental investment.

And so as I wrap up the presentation I really wanted to highlight the fact that Canadian Malartic is not just a mining transition. It's really a platform for long term growth. We've seen the rich history in terms of mineral potential - in the camp, currently like about 15 million ounces have been mined since 1935 when production started. We have another 18 million ounces between mineral reserve and mineral resources. So at this point in time our VP exploration was mentioning really this camp has overtaken Val d' Or as a leading gold camp in the region and that's something to say for a region like the Abitibi.

So we have the vision to increase production to a million ounces. I was mentioning it. A big part of it could come from the second shaft. That could add another 200,000 ounces a year. So we're advancing the drilling and the economics. We think we can probably an update on that in 2027. Contribution will also have to come from some satellite deposits. So that includes the Maraban deposit that's an open pit potential about 10 kilometers away. Could add about 130,000 ounces a year. Satellite underground mine at Wasamac that's located about 80 kilometers away. Those two projects could come also in 2032, 33 before we get them approved and developed. And of course we're also looking at the camp potential. So we're really establishing a long term exploration program very similar to what has been done at LaRonde very successfully. We're targeting key mineralized horizons within the camp. You'll see that within the volcanics where most of the mineralization is, you know we have potential for additional porphyry hosted type deposits, very similar to Odyssey. We have potential for agar hosted type deposit. Very similar to the Malartic Goldfields mines towards the eastern side of the deposit, where Gold Royalty also owns a 1.5% royalty. And then also of course the potential within the sediments horizon, which was really never explored until the East Gouldie discovery. So a lot of potential targets within that camp to add additional production in the future.

And finally the bottom map really I wanted to highlight that Canadian Malartic is really strategically positioned within an extremely prolific camp. In that in those 200 kilometers, over 120 million ounces of gold have been produced over the last hundred years. So discoveries like East Gouldie just shows that we're really just at the beginning of tapping the fort potential. And we believe that by leveraging the infrastructure that we have in place, the expertise that we have in place, and the regional synergies that we can provide, we're going to be not just extending the mine life, but really setting up the next big Canadian gold district in Quebec. So that covers all the points I want to make. Thank you very much.

Rene Cartier, BMO Capital Markets
So when you get out to 28, 29, what's Agnico's estimate in terms of this production profile that you've laid out that is covered by Gold Royalty's royalty?

Jean-Marie Clouet, Agnico Eagle Vice President Investor Relations
I wouldn't be able to tell you exactly how much it is. So like the Odyssey North production will ramp up starting in 2028. What it will be exactly. Still like, you know, we're still working through the optimization of the profile in those years. What we're seeing is we're seeing potential to accelerate some of the production from the upper part of East Gouldie which is not covered by the royalty. But I think the biggest potential for Gold Royalty is really as we look at the second shaft is can we accelerate some of that production from Odyssey North as we develop the secondary infrastructure. But that probably would be more in the 2030s.

Brad Conacher, Richardson Wealth Limited
That eclipse zone that you were talking about just south or lies between East Gouldie and Odyssey North, Is that on The Gold Royalty property?

Jean-Marie Clouet, Agnico Eagle Vice President Investor Relations
No, that's just outside of it.

Jackie Przybylowski, Gold Royalty Vice President, Capital Markets
As East Gouldie and eclipse are trending at depth though, they do come onto our property, but not as far as they're delineated right now.

Jean-Marie Clouet, Agnico Eagle Vice President Investor Relations
And so as we keep on drilling, like I was mentioning, like really it looks like there is seems to be some type of a keel structure. We not really understand if stop mineralization there extends at depth, but like there's potential for additional resources when those structures kind of come close together.

Closing Remarks

David Garofalo, Gold Royalty Chair & CEO
Well, I'll wrap things up first. I really should thank our guest speakers today. I think what they helped do is put a spotlight or an emphasis on the tremendous and peer leading growth profile we have over the next five years. But also this growth doesn't stop in 2030. When you look at the quality of the asset base we have, the scale of the underlying resources on those assets, there's tremendous growth and optionality beyond 2030. And I think these speakers very capably represented that today. So thank you very much for coming today to do that. I also want to thank our team. I have to say that I'm absolutely privileged to work with the team that we have. It's not a big team, but it's a very accomplished team. John Griffith was there from day one. He led the America's Mining Group for Bank of America. Andrew Gubbels, who joined us more recently, ran the Americas Mining Group for UBS. So they bring a lot of transactional mining industry experience to the table. And then most recently Jackie joined us and she's tremendously

accomplished both on the buy side and sell side, but comes with technical background as well so really complements a very strong team. And back home, Peter Behncke and Sam Mah have been there for a long time as well and they've been critical to building out this business. You know, Amir and I had a vision of what we wanted this business to be, and it's really far exceeded that because of the capability and the execution of the team that I mentioned here today. So thank you very much to all of you. You've done a great job on the presentations today as well. I want to thank all of you for coming today. Having your, your time this morning and the time to take to really get into the weeds on our business, I think is a privilege for us to have you here. And we'd be delighted to take any questions you have going forward, reach out to any of us. You know, we're all very accessible and delighted to talk to you again about the story over the course of the next year. So thanks very much for everybody coming. Hope you can join us for lunch for those that are here live today and thanks for all those that participated online as well.