



Corporate Presentation

Q4 2024

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All figures are in USD unless otherwise indicated.



1 | Investment Highlights

THE CHALLENGE



Global energy demand and consumption will continue to increase



Imperative to supply energy demand from increasingly clean and low carbon sources



Low carbon energy sources require a significant increase in transition metals



Significant capital and accelerated timelines are required to meet this challenge

THE INVESTMENT OPPORTUNITY

Mission

Become the trusted financing partner of all stakeholders involved in the global energy transition.

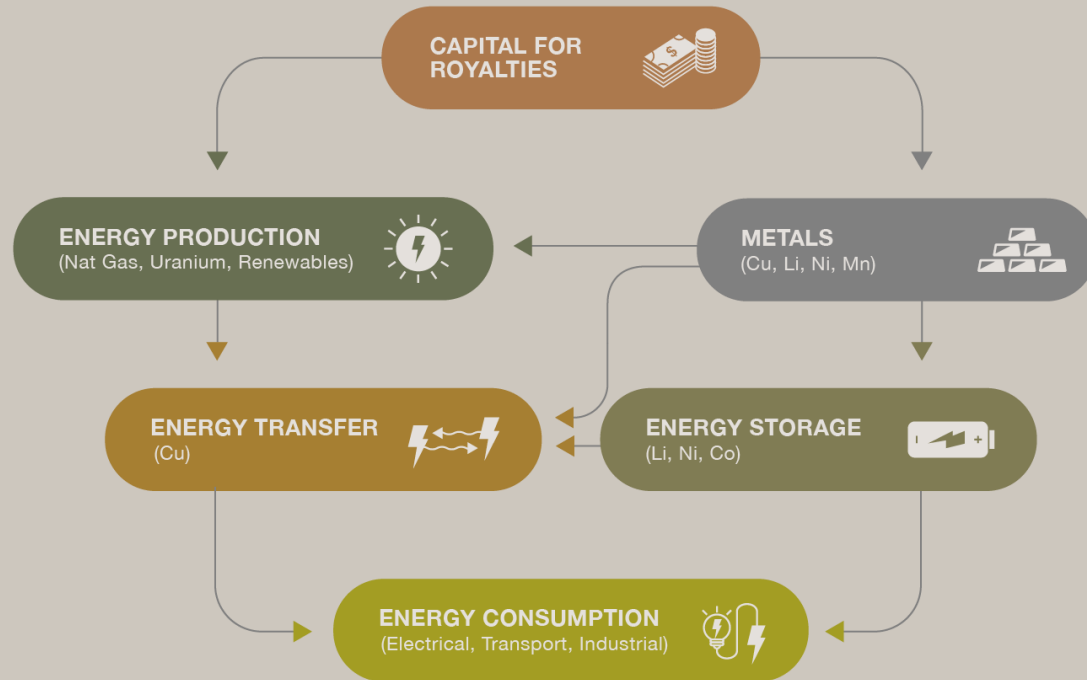
Vision

Drive stable, risk-adjusted returns for investors through financing a diversified portfolio of energy production and transition metals projects required to achieve the lower carbon emitting energy supply and infrastructure goals set by governments and global stakeholders.

Investment Model

Low Carbon Royalties provides funding to low carbon emitting energy production and technologies (natural gas, nuclear, renewables), transition metals and minerals required for energy storage and electrification (Cu, Li, Ni, Co, Mn), and the evolving environmental markets.

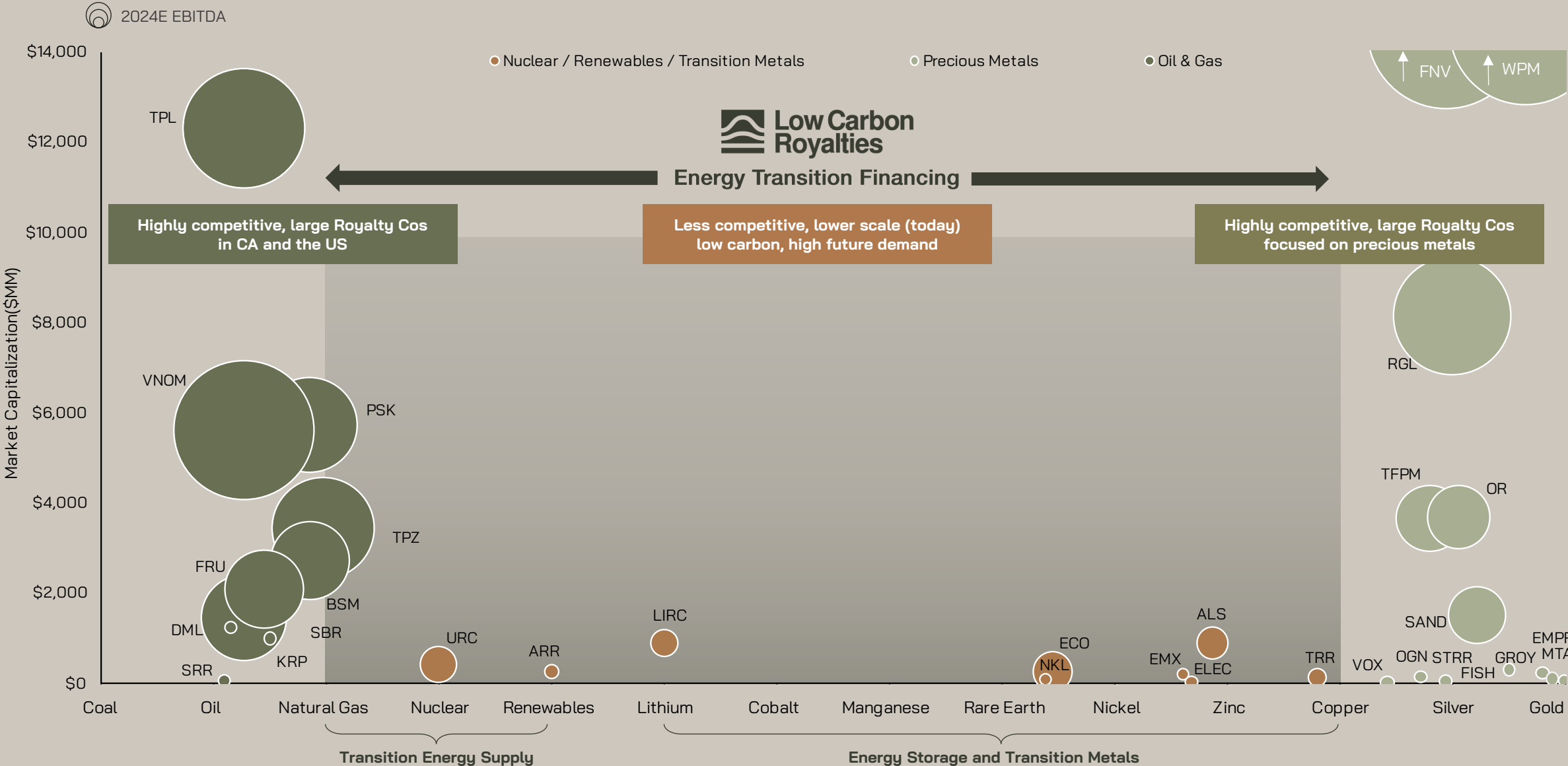
THE LCR ROYALTY MODEL



| | Low Carbon Royalties | Commodity Royalty Cos | Physical Commodity ETF | Commodity Producers |
|--|----------------------|-----------------------|------------------------|---------------------|
| Inflation-resistant commodity leverage | ✓ | ✓ | ✓ | ✓ |
| Exploration upside | ✓ | ✓ | | ✓ |
| No capital cost exposure | ✓ | ✓ | ✓ | |
| No operating cost exposure | ✓ | ✓ | ✓ | |
| Low overhead and G&A costs | ✓ | ✓ | ✓ | |
| Seniority in the capital structure | ✓ | ✓ | | |
| Asset diversification | ✓ | ✓ | ✓ | |
| Commodity diversification / broad investment mandate | ✓ | | | |
| Syndicated royalty strategy | ✓ | | | |
| Clean energy and transition metals thematic | ✓ | | | |

Average Commodity Royalty Company cash flow multiple premium of 5 - 10x
and average NAV multiple premium of 0.5 - 1.5x versus Commodity Producers

THE MARKET OPPORTUNITY

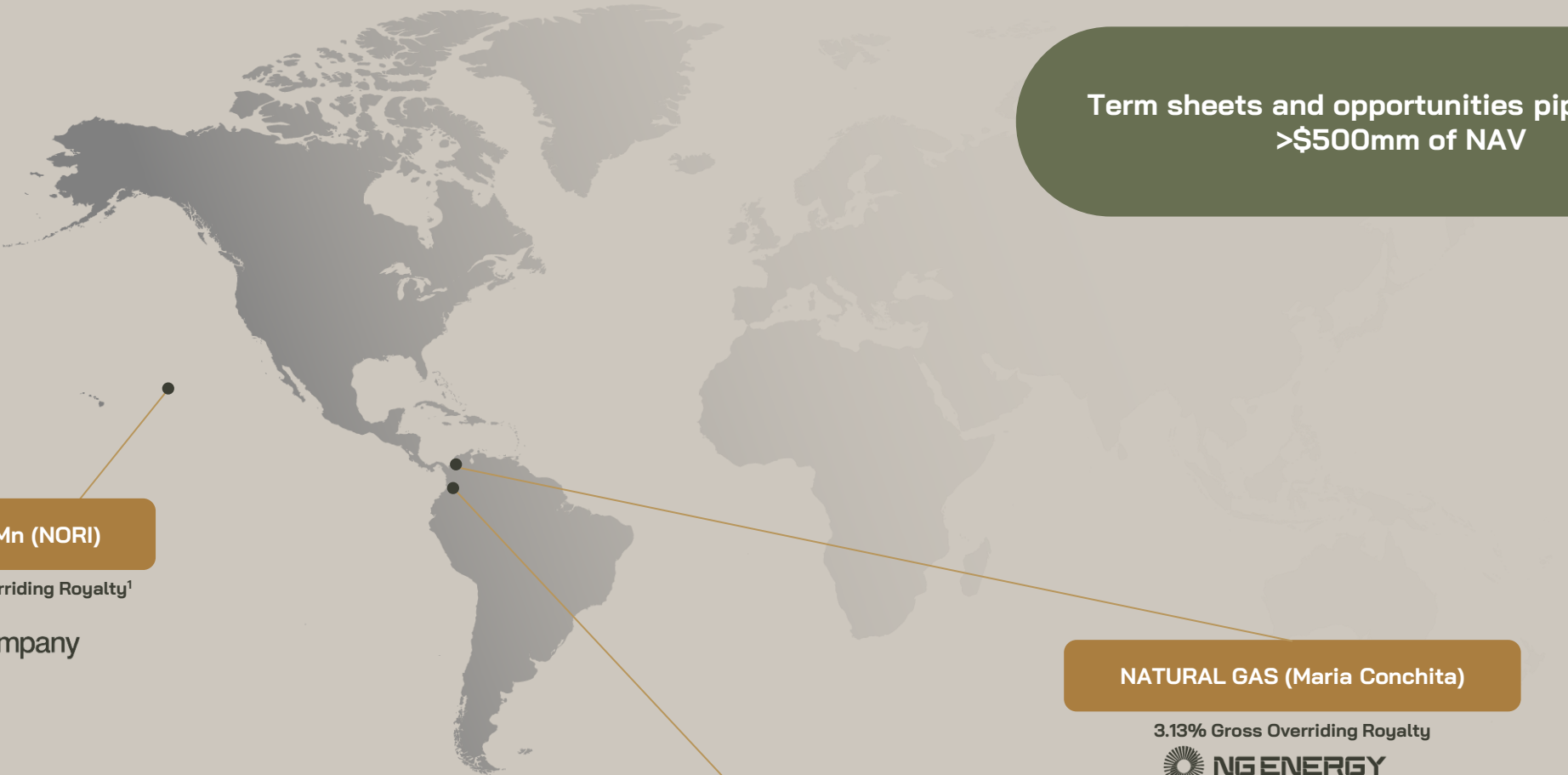


THE LAST TWELVE MONTHS

- ✓ Completed initial capital raise and platform asset acquisitions - NORI and Maria Conchita with combined purchase value of \$21.0MM
- ✓ Completed two follow-on acquisitions - Maria Conchita and Sinu-9 with combined purchase value of \$5.3MM
- ✓ Executed definitive documentation on a silica sand project in North America with royalty funding to occur in H1 2024
- ✓ Executed first transaction within a syndicated royalty strategy
- ✓ Executed term sheets for precious metal stream opportunity with expectation to fund in H1 2024
- ✓ Reviewed >50 royalty opportunities (1/3 within transition fuels and 2/3 within transition metals)

Delivering positive free cash flow in 2024 with rapidly growing NAV base and optionality

CURRENT PORTFOLIO & ADVANCED PIPELINE



Term sheets and opportunities pipeline with >\$500mm of NAV

Ni, Cu, Co, Mn (NORI)
2.00% Gross Overriding Royalty¹
the metals company

NATURAL GAS (Maria Conchita)

3.13% Gross Overriding Royalty
NG ENERGY

NATURAL GAS (SINU-9)
1.44% Gross Overriding Royalty
NG ENERGY

1. TMC retains an aggregate 1.5% buyback option

THE INVESTMENT HIGHLIGHTS

1

Proven high shareholder return business model delivering exposure to commodity and asset upside without exposure to development and operating cost increases and inflation

2

Leveraged exposure to strategic low carbon energy sources, energy storage and electrification metals, each with strong long-term demand profiles supported by stakeholder incentives driving clean energy transition

3

Cash flow positive initial portfolio with upside exposure to one of the world's largest undeveloped sources of energy storage and electrification metals

4

Diversified and differentiated portfolio strategy to set apart from existing royalty competition focused on higher emitting fuels and precious metals – utilizing low emitting fossil fuel royalty cash flows today, to fund transition metals tomorrow

5

Robust pipeline of near-term opportunities given management's collective industry experience and networks in both the energy production and metals and mining sectors

6

Chairman and CEO, Brian Paes-Braga, has raised **over C\$1 billion of capital for high-growth opportunities** and has served as a Founder, Chairman, board member, CEO and/or major shareholder of acquired/divested or go-public transactions in excess of C\$5 billion

7

Supported by one of Canada's largest alternative asset managers with extensive experience and track record in resource-focused structured credit solutions, having deployed over C\$4 billion in capital in related opportunities

Driving a Low Carbon Global Economy is at the core of our investment process

financing the development of natural resources that are pivotal to emissions reduction while providing positive socio-economic impact

2 | The Team

THE TEAM



**Brian
Paes-Braga**

Canadian-born entrepreneur, merchant banking executive, and author. Currently, he serves as Managing Partner at SAF Group, a leading structured credit and merchant banking group which builds, invests, finances, and advises high-growth companies as well as provides flexible and long-term capital solutions to public and private corporations while providing stable returns for investors through its structured credit arm.

As an Executive, Brian was Founder and CEO of Lithium X Energy Corp., a lithium resource company which, within 2.5 years, raised approximately \$53 million and was acquired in an all-cash deal for \$265 million. Brian was formerly Chair of the Board of Directors of Thunderbird Entertainment, a global multi-platform entertainment company creating award-winning programming for the world's leading digital platforms, and a former board member of DeepGreen Metals (now The Metals Company), which closed a >\$2 billion go-public transaction on the NASDAQ in September 2021 and aims to supply the world with ethical, clean metals harvested from the deep ocean floor.



**Kyle
Hickey**

Managing Director of SAF Group responsible for deal origination, structuring, and execution, as well as ongoing portfolio and risk management for all Metals, Mining, and Critical Minerals investments. He is also an advisor to and corporate director of multiple public and private companies.

Kyle has been a professional advisor to boards of directors, executive management teams, and private and public capital on a wide range of capital structure solutions including equity, debt, and hybrid financial instruments, as well as merger and acquisition transactions. He has extensive experience in Metals, Mining, and Critical Minerals and Diversified Industrials in Canada, the US, and EMEA, with prior investment banking positions at BMO and J.P. Morgan. Kyle holds a B.Com. (Finance) from McGill University and a M.A. (Jurisprudence) from the University of Oxford.



**Don
Sewell**

Private and public company finance executive, former energy investment banker. Currently, he is responsible for energy transition and carbon investments at SAF Group.

Prior to SAF Group, Don became one of the youngest Chief Financial Officers on the Toronto Stock Exchange at age 28 when he transitioned from the energy industry into consumer-packaged goods with Big Rock Brewery Inc. (TSX: BR). During his tenure with Big Rock, he executed a full turnaround of the business, including 3x expansion of EBITDA margins while maintaining revenue and de-levering the balance sheet over his first 2 years and managing through difficult market conditions presented by the pandemic there-forward. Previous to Big Rock, Don held various investment banking positions in the energy groups of National Bank Financial Inc. and Peters & Co. Limited in Calgary, Alberta. Don holds a BSc degree from McGill University and is a CFA charterholder.



**Jon Christian
Evensen**

Jon Christian "JC" Evensen is the President of Eucalyptus Resources and has over a decade of experience in investment banking and investment management focused on natural resources. He previously served as member of the Board of Directors for Patriot Battery Metals and is currently a Member of the Advisory Board for Pallas Resources. While at Luminus Management, he built the metals & mining vertical to invest over \$1 billion across the capital structure along with physical commodities and commodity futures. In addition to his time at Luminus, JC has also worked at Millennium and in Morgan Stanley's investment banking division.

JC holds a BA in Economics and Political Science from Amherst College.



>\$4.0 Billion of Capital Deployed

>50 Transactions Completed to Date

9 Investment Strategies & Funds

35 Investment & Operational Professionals

SAF ALTERNATIVE CREDIT

Direct Lending

SAF provides senior secured, uni-tranche and subordinated credits to middle and lower-middle market companies located primarily in North America

Infrastructure Credit

SAF invests in critical infrastructure to support the development of a range of natural resources required for energy transition, ensuring current and future global energy needs continue to be met

Special Situations

SAF provides creative and opportunistic credits through the navigation of complex capital & collateral structures, short timelines and/or discrete financing needs

SAF GROWTH

Partner Capital

Utilizing SAF's partner capital, SAF works with and invests in creative capital solutions to accelerate growth and improve operations for high-growth companies via equity, debt and/or hybrid structures

SAF | GROUP

\$1.1B

2014-2018

Asset
/Infrastructure
Energy

SAF | GROUP

\$2.9B

2019-2023

Senior Credit
2nd Lien Credit
Asset /
Infrastructure
Hybrid Securities
Energy
Life Sciences
Real Estate
Mining
Agriculture
Utilities

SAF | GROUP

>\$1.5B

Pipeline

Senior Credit
2nd Lien Credit
Asset /
Infrastructure
Hybrid Securities
Energy
Energy Transition
Life Sciences
Real Estate
Mining
Agriculture
Utilities



LITHIUM X

1,640% ROI

Founded Q4-15
Sold Q1-18

Seed round done at C\$0.15 in Nov-15, raised C\$53MM over the subsequent 2.5 years at escalating prices and sold the Company for C\$2.61/share (C\$265MM)

GOLD X

280% ROI

Restructured Q4-19
Sold Q2-21

Secured \$20MM to complete purchase of property, rolled cap structure back 8-1, strengthened management team and subsequently sold for C\$315MM



230% ROI

Chairman Q3-19
Resigned Q4-21

Bought significant interest, appointed Chairman, co-led capital markets strategy – market cap growth of C\$168MM over 2-year tenure



950% ROI

Founded 2017
4th Financing Q4-17

Seed round done at C\$0.30, went public, subsequently raised C\$179.5m over the proceeding 9 weeks at C\$1.50, C\$2.80 and C\$3.15 reaching market cap ~C\$1B



3,140% ROI

Joined Board 2016
Resigned on IPO Q3-21

Seed round at \$0.37, joined board and helped build the Company until go-public SPAC transaction at \$12.00/share equivalent (\$2.8B valuation)

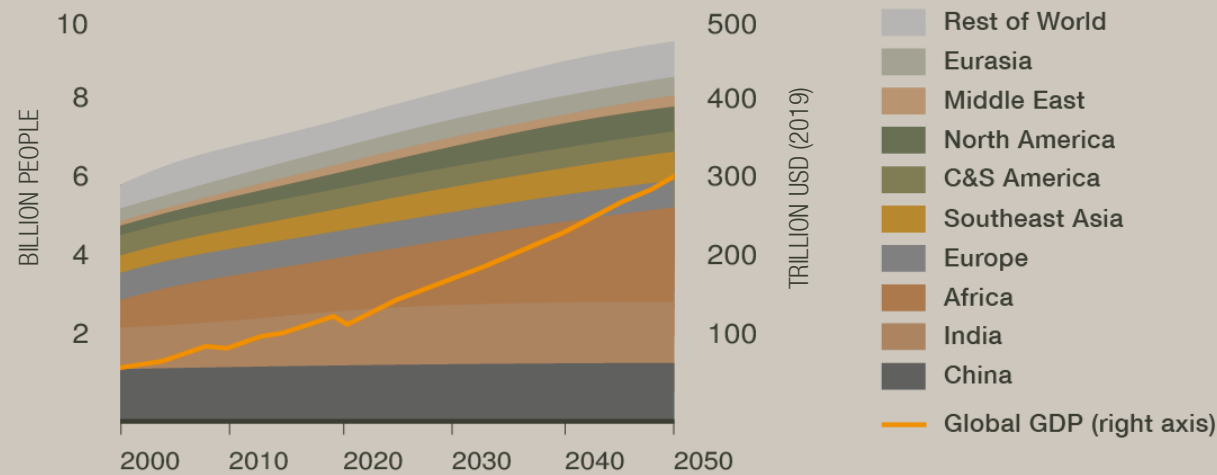
A photograph of a wind farm at sea, with several white wind turbines visible against a hazy, overcast sky. The water is calm, and the turbines are arranged in a line receding into the distance.

3 | The Macro Drivers

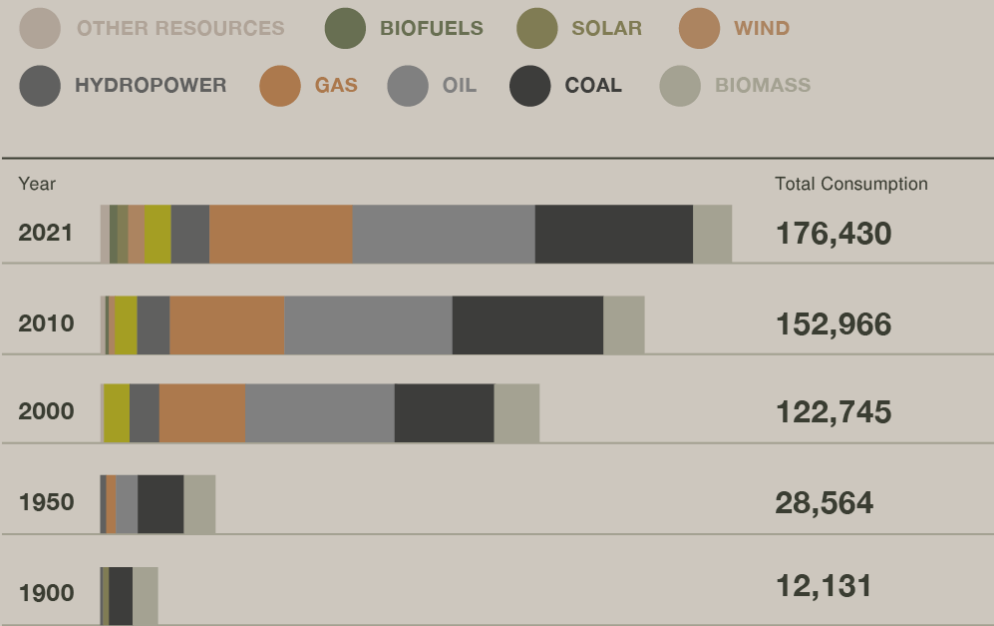
THE CONTINUED GROWTH OF GLOBAL ENERGY CONSUMPTION

Projected Population & Global GDP Growth¹

World population by region and global GDP



Global Primary Energy Consumption by Source²



GDP per capita and increased energy consumption are positively correlated and growing

The drastic change in sources of energy consumption over the last century will continue to service a low carbon economy

THE LOW CARBON ENERGY SUPPLY

NATURAL GAS

Versatile, low emissions transition fuel that can act as base load or marginal supply - key to maintaining stable and reliable energy infrastructure

Power generation from gas has 40-50% less emissions intensity than coal¹

NUCLEAR ENERGY

Unique combination of high energy density, low emissions, and proven technology make nuclear an important part of our future energy mix

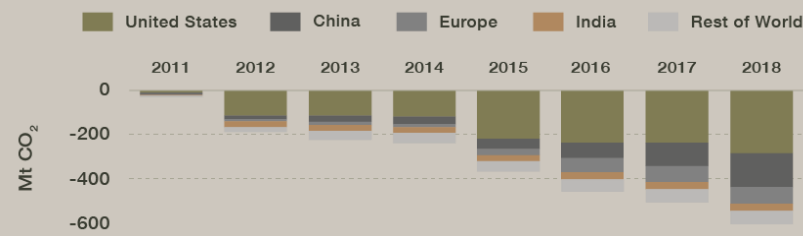
Uranium provides 20,000x times the energy per kilogram of coal²

RENEWABLE ENERGY

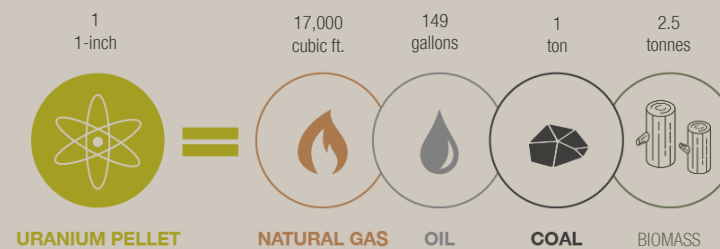
A wide range of technologies trying to support the green energy transition, all requiring vast quantities of transition metals to support deployment

The world is set to add as much renewable power in the next 5 years as it did in the past 20 years⁴

Emissions Saved Through Coal to Gas Switching¹



The Power of a Uranium Pellet³



Growth of Installed Capacity (GWh)^{2,4}

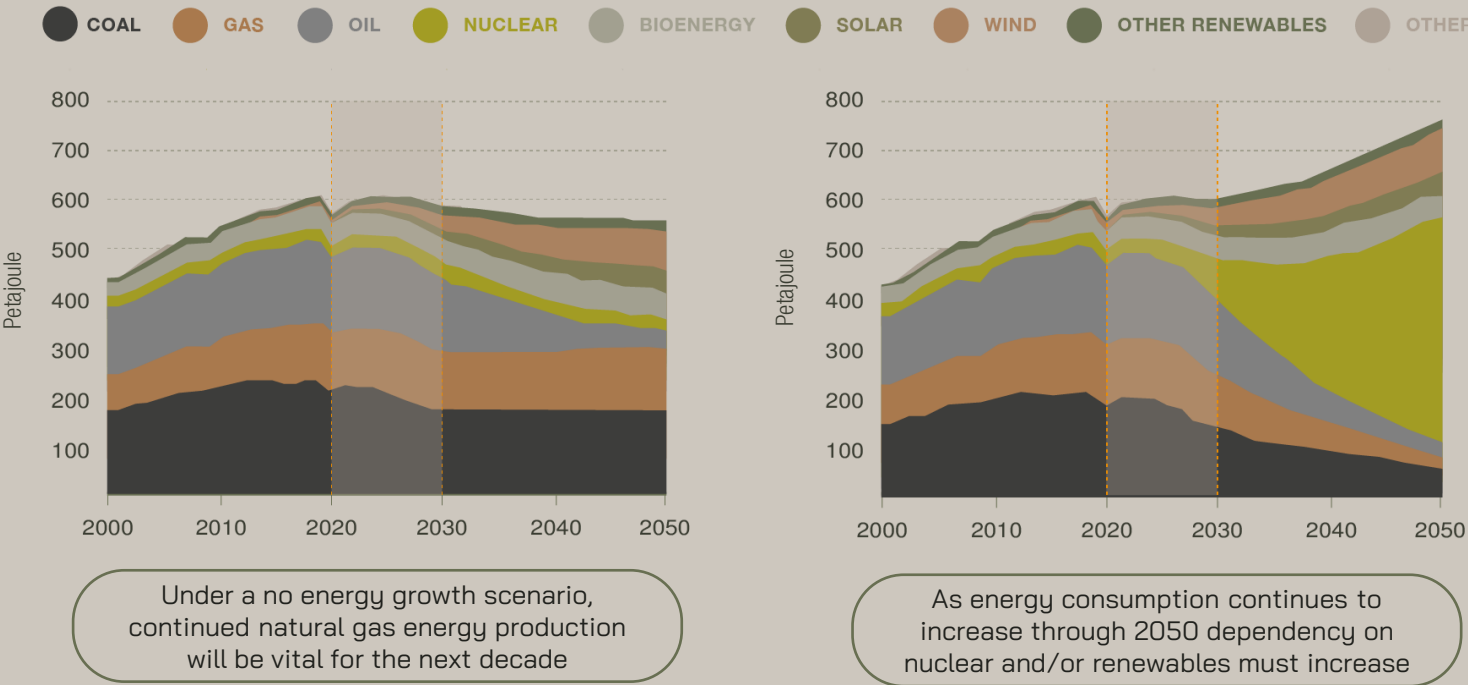


Low carbon energy sources, such as nuclear and natural gas, have a current and increasingly vital role in providing low carbon baseload energy

The transition continues to the transition metal dependent renewables (supported by government incentives/policy)

INCREASING ENERGY PROJECTIONS TO BE SUPPLIED BY LOW CARBON ENERGIES

Primary Energy Scenarios to Reach Net-Zero Energy Estimates by 2050



BloombergNEF

”

You will be producing more oil in five years from now, or about the same amount. And if you spent trillions of dollars [on renewables], you’d still be needing it. You can’t change the world that fast.

Warren Buffett

Chairman of Berkshire Hathaway

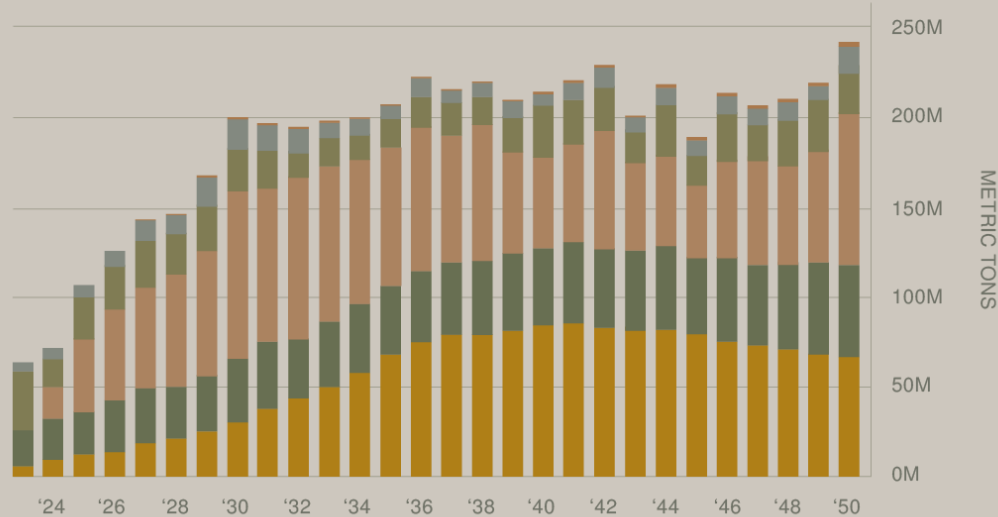
Source: BloombergNEF New Energy Outlook 2021 - <2° Scenario

THE SIGNIFICANT REQUIREMENT FOR TRANSITION METALS

Demand for Energy Transition Metals Rises

Driven by wind turbine additions and electrification of transport

TRANSPORT **ELECTRICITY GRIDS** **WIND POWER** **SOLAR POWER**
COAL-AND-GAS FIRED POWER **ENERGY STORAGE**

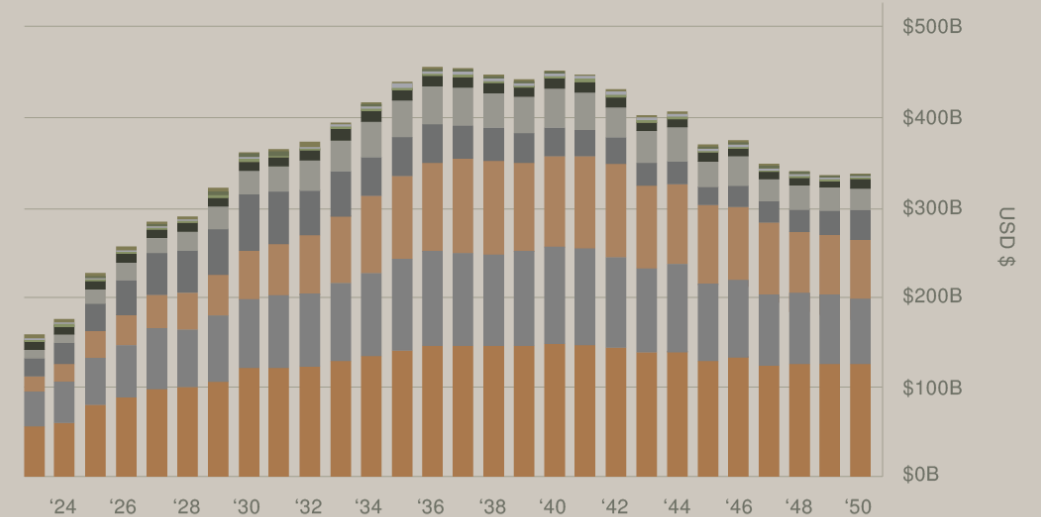


BloombergNEF

Multi-Trillion Dollar Net-Zero Opportunity

Almost \$10T of metals could be needed by 2050 for the energy transition

COPPER **ALLUMINUM** **LITHIUM** **STEEL** **NICKEL** **COBALT**
RARE EARTHS **SILVER** **SILICON** **MANGANESE**

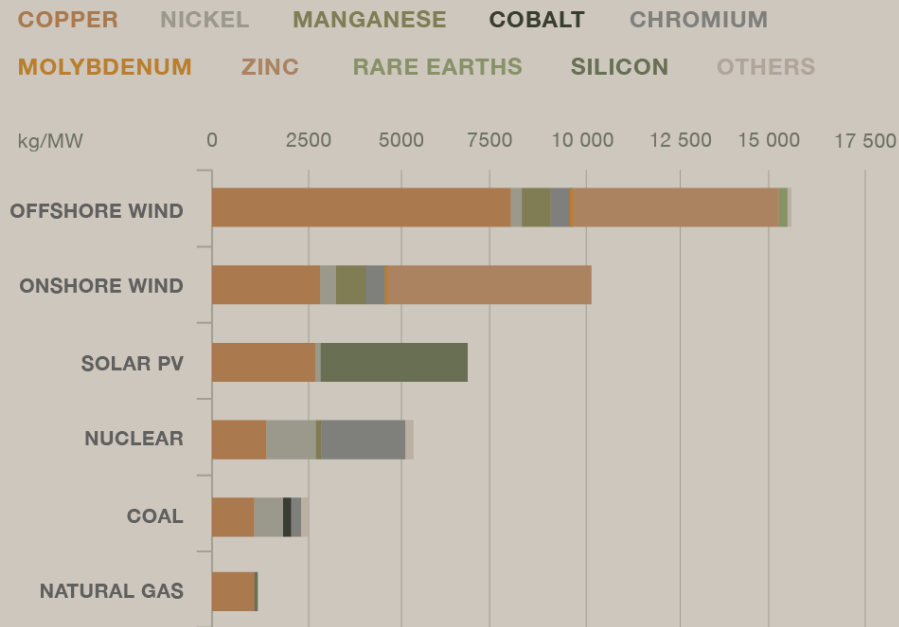


BloombergNEF

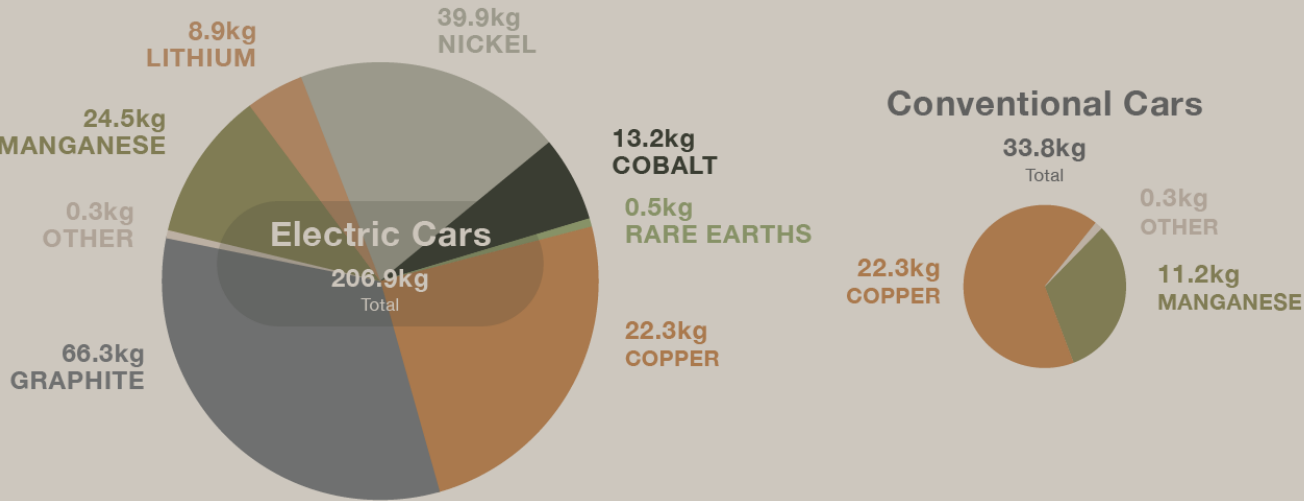
The rapid deployment of low carbon energy technologies requires a significant increase in supply of transition metals and minerals

LOW CARBON ENERGY DEMAND FOR TRANSITION METALS

Renewable Energy Requires More Transition Metals¹



Electric Vehicles Require More Transition Metals²

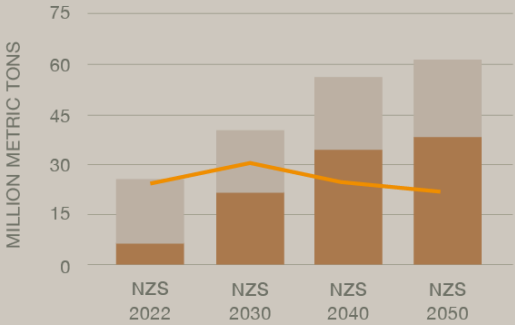


Renewable energy and electrification requires significantly more transition metals and minerals versus traditional energy and consumption sources

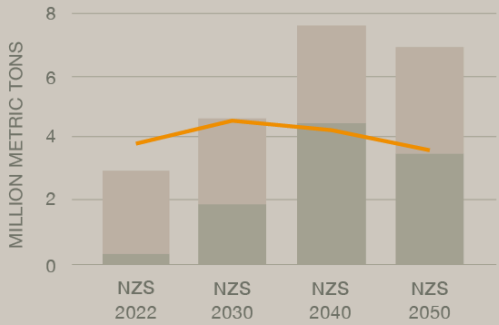
1. IEA The Role of Critical Minerals in Clean Energy Transition, May 2021
2. Visual Capitalist The EV Mineral Shortage, February, 2023; IEA data

THE SUPPLY/DEMAND IMBALANCE FOR TRANSTION METALS & MINERALS

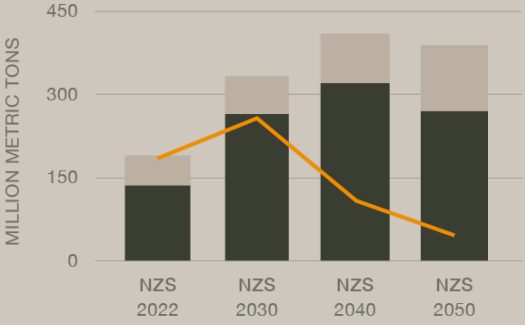
Copper Supply & Demand Outlook



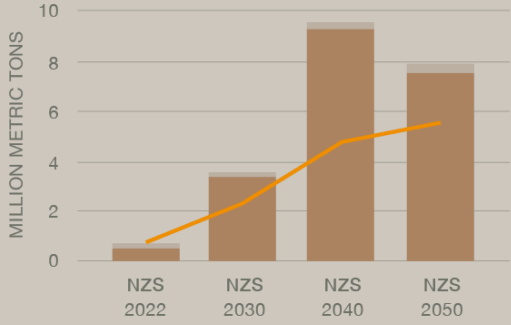
Nickel Supply & Demand Outlook



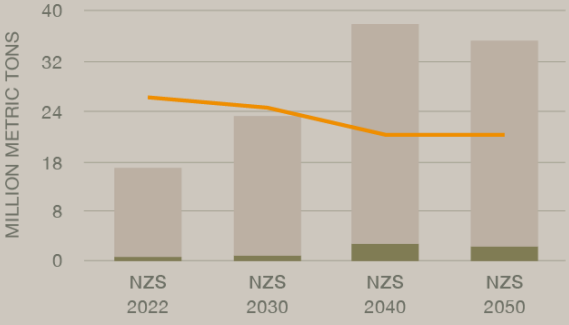
Cobalt Supply & Demand Outlook



Lithium Supply & Demand Outlook



Manganese Supply & Demand Outlook



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19 million tonnes of additional copper needs to be delivered for net-zero 2050, implying a new Escondida [the world’s largest copper mine with 1Mt annual production] must be discovered and enter production every year for the next 20 years

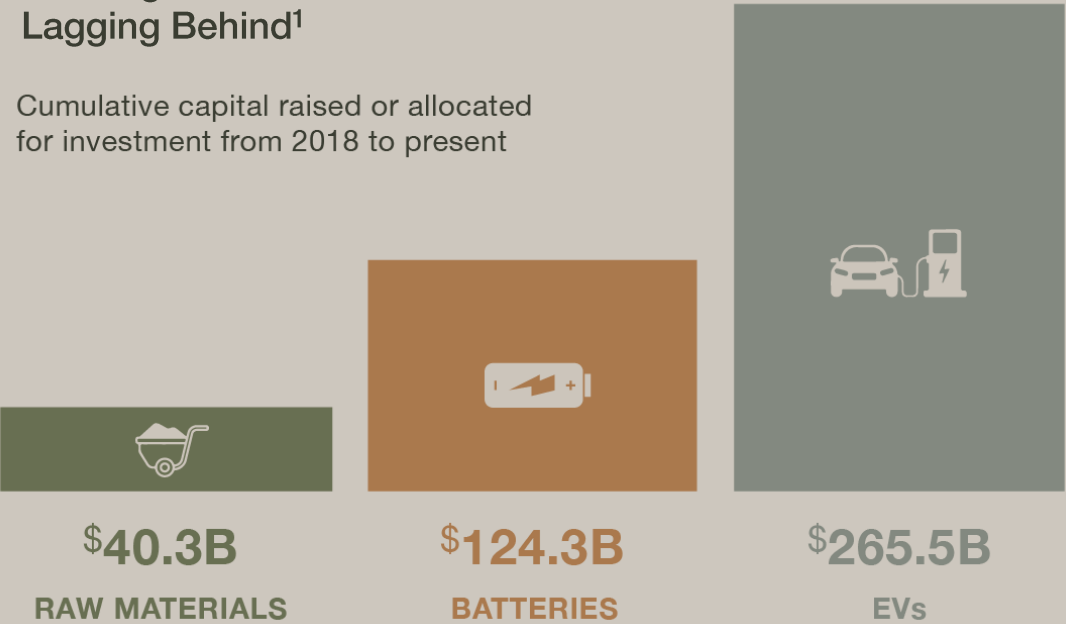
Wood Mackenzie

Source: BloombergNEF Transition Metals Outlook 2023, January, 2023; NZS - Net Zero Scenario describes an economics-led evolution of the energy economy to achieve net-zero emissions in 2050

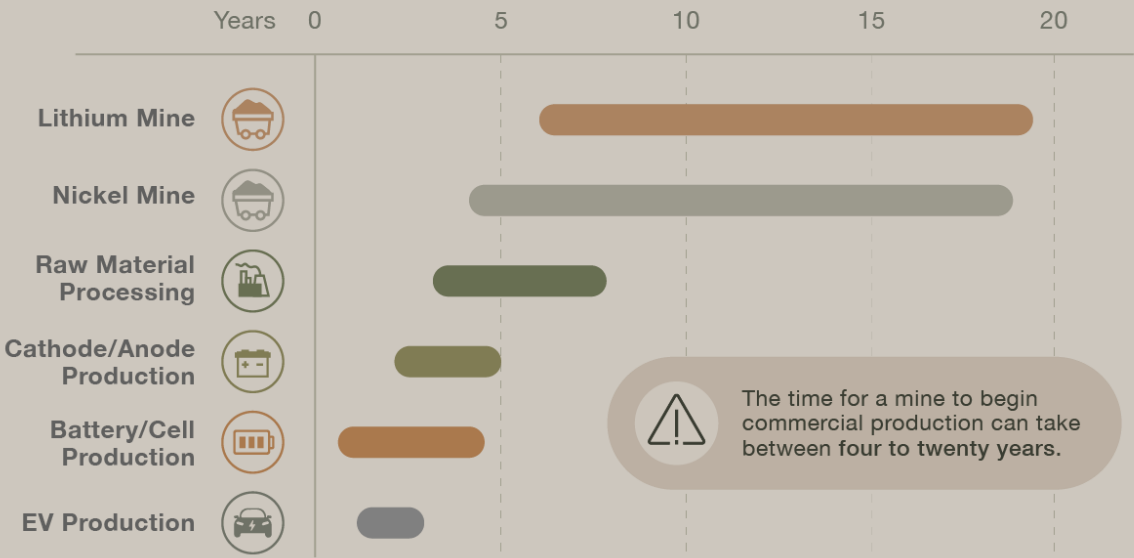
THE RELATIVE UNDERINVESTMENT ‘UPSTREAM’

Funding for EV Metals is Lagging Behind¹

Cumulative capital raised or allocated for investment from 2018 to present



Typical Lead Times in the EV Battery Supply Chain²



It takes 2 years to build a gigafactory but 10 years to build a mine.

Simon Moores

Both need capital but the upstream supply chain is now out of kilter with the downstream. The biggest problem right now is that it's a lot easier to raise money for a gigafactory than a mine.

CEO, Benchmark Minerals Intelligence

1. Bloomberg Shortage of Metals for EVs is Rising Up the Agenda in Automakers' C-Suite, March 2023
2. Visual Capitalist Can Electric Vehicle Targets Be Met, February, 2023; IEA data



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