



NEWS RELEASE

Toronto, January 8, 2024

(in thousands of U.S. dollars unless otherwise noted)

Lithium Royalty Corp. Provides 2023 Recap

Lithium Royalty Corp. (TSX: LIRC) ("LRC" or the "Company") is pleased to report on the successful conclusion of its inaugural year as a public company, following its initial public offering in March 2023, with an update on key developments in 2023 through into 2024.

The royalty business model continues to provide a compelling exposure to the development of the lithium commodity markets and the fast-growing global electric vehicle and renewable power industries. Interest in key lithium mineral assets continues to grow from strategic participants despite the near-term volatility, highlighted by the robust M&A activity taking place in the industry. LRC sees a robust environment for capital allocation with a view on creating sustainable long-term value.

"2023 was a record year for LRC marked by the largest deployment of capital in the Company's history. We added eight new royalties during 2023, including six new royalties since the March IPO. Furthermore, the existing LRC portfolio experienced strong organic growth, with four projects unveiling maiden resource announcements of global significance. In addition, the James Bay project operated by Arcadium Lithium (formerly Allkem) received environmental approval from Québec's provincial authorities and Atlas Lithium announced that it is fully financed for its Das Neves project in Brazil, which is targeting to start production in 2024. Notwithstanding lower lithium prices, the LRC portfolio progressed substantially and is positioned to benefit from the continued growth in the lithium sector," stated LRC's CEO, Ernie Ortiz.

While we are not pleased with the 48% decline in the share price since March 2023 IPO, it is in-line with major lithium companies, weak performance for public royalty companies and a 73% decline in lithium prices. Our acquisition activity continued at a record pace and we are deploying capital at

superior returns. Our pipeline for new royalties is robust, valuations are attractive and return expectations well above average.

2024 is expected to be an inflection point for the Company as our projects which entered commercial production in 2023 ramp up, and several others commence commercial production for the first time.

Lithium Market

Internal and third-party estimates suggest lithium demand increased by approximately 27% in 2023, powered by continued growth in electric vehicle (EV) sales which grew by approximately 35% on a global basis. EV sales penetration (battery electric and plug-in hybrids) was approximately 17%, up from 12% in 2022, despite higher interest rates that impacted affordability. Looking forward to 2024, third party estimates are forecasting for EV sales to grow between 20-25% year-on-year, which would equate to EV sales of 17-18 million units globally and represent approximately ~20% of global automobile sales. According to forecasts, the continued rise of EVs in combination with growing energy storage battery installations should allow the lithium market to grow in excess of 20% in 2024 and will mark an important milestone for the industry, as 2024 is on track to be the first year ever in which lithium demand reaches (and exceeds) one million tonnes in LCE terms. We expect that continued end market growth, improving battery inventory levels, and greater consumer choice for EVs will be important tailwinds for the sector in 2024.

2023 Events

- Two additional lithium projects commence spodumene concentrate shipments;
- Eight additional royalties added in 2023;
- Four new maiden resource announcements within LRC's royalty portfolio, including key announcements for Winsome Resources' Adina lithium project in Québec and Delta Lithium's Yinnetharra project in Australia;
- Arcadium Lithium's (formerly Allkem) provincial approval on James Bay project, allowing the project to commence construction; and
- Atlas Lithium announced that its Phase 1 project is fully funded through partnerships with leading chemical converters.

Key Mineral Resource Updates

Grid Metals Donner Lake Royalty: In July 2023, Grid Metals announced a maiden mineral resource estimate for its Donner Lake project in Manitoba, Canada, comprising 6.81Mt of inferred resources with a Li_2O grade of 1.39%. LRC holds a 2.0% GOR royalty on the Donner Lake lithium project.

Arcadium Lithium James Bay Royalty: In August 2023, Arcadium Lithium (previously Allkem Limited) reported a 173% increase in the James Bay mineral resource, which now stands at 110.2Mt. LRC holds a 1.5% NSR royalty on part of the James Bay lithium project.

Delta Lithium Yinnetharra Royalty: In December 2023, Delta Lithium announced a maiden mineral resource estimate for the Yinnetharra project in Australia, comprising 6.7Mt of measured and indicated resources and 19.0Mt of inferred resource, both with a Li_2O grade of 1.0%. LRC holds a 1.0% GOR royalty on the Yinnetharra lithium project.

Winsome Resources Adina Royalty: In December 2023, Winsome Resources announced a maiden mineral resource estimate for the Adina project in Québec, Canada, comprising 58.5Mt of inferred resource, with a Li_2O grade of 1.12%. LRC holds a 4.0% GOR and 2% NSR royalty on the Adina lithium project.

Green Technology Metals Root Lake Royalty: Following up on its maiden mineral resource release at Root Lake from April 2023, Green Technology Metals updated its mineral resource estimate at Root to 14.6Mt at 1.21%. This brings the global resource in combination with Seymour to 24.5Mt at 1.14%. LRC holds a 1.0% GOR royalty on each of the Root Lake and Seymour lithium projects.

Sayona Mining Moblan Royalty: In April 2023, Sayona Mining announced a major resource expansion at the Moblan lithium project in Québec, Canada, growing the resource to 49.9Mt of measured and indicated mineral resource at 1.2% Li_2O with a 0.25% cut-off grade. LRC holds a 2.5% GOR royalty on the Moblan lithium project.

Bradda Head Lithium Basin-Wikieup Royalty: In September 2023, Bradda Head announced an updated mineral resource estimate for its Basin project in Arizona, reaching 1.0Mt of

inferred LCE mineral resource. LRC holds a 2.0% GOR royalty on the Basin-Wikieup lithium project.

Progress Updates on LRC Royalty Projects

Sigma Lithium Grota do Cirilo Royalty: LRC received the first ever royalty payment from the Grota do Cirilo project in 2023. Production at this project ramped up quickly and reached steady state production during 2023 on a run rate basis. In October 2023, Sigma announced that it had reached record peak production of 890 tonnes per day, equivalent to annualized production of 320,000 tonnes. According to Sigma's public disclosure, Sigma consistently shipped product on a monthly basis during the fourth quarter. LRC holds a 0.90% NSR royalty on the Grota do Cirilo lithium project.

Atlas Lithium Das Neves Royalty: In December 2023, Atlas Lithium announced that it was fully funded to develop Phase 1 of its Das Neves project, which Atlas is targeting to produce 150,000 tpa of spodumene concentrate. Atlas Lithium raised USD\$50 million in funding through partnerships with lithium converters Chengxin Lithium and Sichuan Yahua. Atlas has disclosed that this capital infusion positions the Das Neves project to start production in 2024. Please click [here](#) to access Atlas Lithium's press release. LRC holds a 3.0% GOR royalty on the Das Neves lithium project.

Arcadium Lithium James Bay Royalty: In December 2023, Arcadium Lithium (previously Allkem Limited) announced that it was granted its Certificate of Authorisation, which is the final step in the Environmental and Social Impact Review Committee (COMEX) in Québec that will allow for the development of the James Bay lithium project. This important milestone allows Arcadium to begin construction at the site. LRC holds a 1.5% NSR royalty on 23 claims of the James Bay lithium project, totaling an area of approximately 1,195 ha.

Green Technology Metals Seymour Lake Royalty: In December 2023, Green Technology Metals received a mining lease for its Seymour Lake lithium project in Ontario. LRC holds a 1.0% GOR royalty on each of the Root Lake and Seymour lithium projects.

Core Lithium Finnis Royalty: On January 5, 2024, Core Lithium announced that it was temporarily suspending mining operations, while continuing to process stockpiled ore (which

was approximately 280,000 tonnes at December 31, 2023) to produce spodumene concentrate. During the last wet season in the Northern Territories, Core Lithium halted production at the Grants project in late December 2022 and resumed in late March 2023 as per their public disclosure. Core Lithium will continue the mine study for the BP33 project, with early works on pause until market conditions improve. As of September 30, 2023, Core Lithium held AUD\$202.1 million of cash and no debt. LRC holds a 2.5% GOR royalty on the Finnis lithium project.

Acquisition Activity in 2023

- During 2023, LRC acquired eight additional lithium royalties, on six new lithium projects, in Argentina, Brazil, Québec and Ontario, as follows:

Operator	Royalty	%	Acquisition Date
Q2 Metals	Mia – Québec, Canada	1.0% NSR	November 2023
Pinnacle Minerals	Adina East – Québec, Canada	2.0% GOR	October 2023
Zijin Mining	Tres Quebradas – Catamarca, Argentina	0.5% GOR ¹	July 2023
Power Metals Corp.	Case Lake – Ontario, Canada	2.0% GOR ²	May 2023
Atlas Lithium	Das Neves – Minas Gerais, Brazil	3.0% GOR	May 2023
Arcadium Lithium	James Bay – Québec, Canada	1.5% NSR ³	March 2023
Ganfeng Lithium Co. Ltd.	Mariana – Salta, Argentina	0.45% NSR	February 2023
Winsome Resources Ltd.	Adina – Québec, Canada	2.0% NSR	January 2023

Orion Resource Partners Litigation Update

LRC is pleased to announce that the Ontario Superior Court of Justice has granted an injunction in LRC's lawsuit against Orion Resource Partners ("Orion").

¹Altius Minerals Corporation has an indirect 10% interest in the original 1.0% Tres Quebradas lithium royalty through its 10% limited partnership interest in LRC LP I. LRC holds the other 90% limited partnership interest. The additional 0.5% GOR royalty acquired is held solely by LRC and Altius has no interest in this additional royalty.

²Gross Overriding Revenue (GOR) royalties are based on the total revenue stream from the sale of production from a property with few, if any, deductions.

³Net Smelter Return (NSR) royalties are based on the value of production or net proceeds received by the operator from the smelter or refinery that treats the operator's mineral production. These proceeds are usually subject to deductions or charges for transportation, insurance, smelting and refining costs as set out in the royalty agreement, but may also be subject to other deductions or charges.

In August 2023, the Ontario court ruled in LRC's favour, finding that in January 2021 LRC entered into a binding and enforceable contract to buy an 85% interest in the Thacker Pass royalty from Orion for US\$18.7 million total consideration. LRC has since sought an injunction preventing Orion and its related entities from transferring the remaining 40% interest in the Thacker Pass royalty held by Orion.

On January 3, 2024, the Ontario court granted an injunction restraining Orion, and any entity that employs that trade name in its business dealings, and its employees, agents, officers, directors and any other person acting on their behalf or in conjunction with any of them, from any conduct, or causing any conduct, that dissipates, transfers or encumbers that 40% interest in the Thacker Pass royalty that would hinder the delivery up for the Thacker Pass royalty as a remedy to LRC, pending the final disposition of the ongoing litigation between LRC and Orion.

The Ontario court has not yet decided on the appropriate remedies for the breach by Orion Resource Partners, which will be addressed in a separate court hearing yet to be scheduled. Orion Resource Partners has commenced an appeal of the Ontario court's August decision that found the binding and enforceable contract. LRC does not recognize this litigation as an asset in its financial statements and expects that resolution of this matter may be subject to further delays. Orion Resource Partners has not asserted any claims against LRC.

Purchases of Shares by LRC and by Insiders

During 2023, LRC re-purchased 154,500 shares under LRC's normal course issuer bid (NCIB), at a total cost of \$1.3 million. The current NCIB concludes on July 9, 2024.

In addition, insiders purchased 397,312 shares during 2023 (including in the IPO), bringing the total aggregate insider buying since IPO to approximately C\$6.0 million.

Due to the current absence of undisclosed material information regarding the Company, the board of directors of LRC has granted a temporary waiver of the Company's regularly scheduled blackout on trading by insiders of LRC that would otherwise currently be in effect following the conclusion of the fourth quarter of 2023, subject to continued compliance with all securities laws applicable to all insiders engaging in such trades. The temporary waiver will expire at the end of the day on January 19, 2024.

Important Dates and Events

- January 17-19, 2024 – LRC at 27th Annual CIBC Western Institutional Conference
- January 23-25, 2024 – LRC at TD Cowen 15th Annual Global Mining Conference
- March 27, 2024 – Q4 2023 results released
- March 28, 2024 – Q4 2023 earnings call

Shareholder Information

Lithium Royalty Corp's Investor Presentation is available [here](#).

About Lithium Royalty Corp.

LRC is a lithium-focused royalty company with a globally diversified portfolio of 34 revenue royalties on mineral properties around the world that supply and are expected to supply raw materials to support the electrification of transportation and decarbonization of the global economy. Our portfolio is focused on high-grade and low-cost mineral projects that are primarily located in Australia, Canada, South America and the United States. LRC is a signatory to the Principles for Responsible Investment; the integration of ESG factors and sustainable mining are considerations in our investment analysis and royalty acquisitions.

Contact Information for Inquiries:

Jonida Zaganjori
Investor Relations
(647) 792-1100
jonida@lithiumroyaltycorp.com

Forward Looking Statements

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws, which may include, but are not limited to, statements with respect to future events or future performance, management's expectations regarding LRC's growth, results of operations, estimated future revenues, performance guidance, carrying value of assets and requirements for additional capital, mineral resource and mineral reserve estimates, production estimates, production costs and revenue, future demand for and prices of commodities, expected mining sequences, business prospects and opportunities, the performance and plans of third party operators and the expected exposure for current and future assessments and available remedies. In addition, statements relating to resources and reserves and mine life are forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, and no assurance can be given that the estimates and assumptions are accurate and that such resources and reserves or mine life will be realized. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "potential for", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations

(including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of LRC to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking information is based on management's beliefs and assumptions and on information currently available to management. The forward-looking statements herein are made as of the date of this press release only and LRC does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law.

A number of factors could cause actual events or results to differ materially from any forward-looking statement, including, without limitation: fluctuations in the prices of the primary commodities that drive royalty revenue (including various lithium products); fluctuations in the value of the Canadian and Australian dollar and any other currency in which revenue is generated, relative to the U.S. dollar; changes in national and local government legislation, including permitting and licensing regimes and taxation policies and the enforcement thereof; the adoption of a global minimum tax on corporations; regulatory, political or economic developments in any of the countries where properties in which LRC holds a royalty or other interest are located or through which they are held; risks related to the operators of the properties in which LRC holds a royalty or other interest, including changes in the ownership and control of such operators; relinquishment or sale of mineral properties; influence of macroeconomic developments; business opportunities that become available to, or are pursued by LRC; reduced access to debt and equity capital; litigation; title, permit or license disputes related to interests on any of the properties in which LRC holds a royalty or other interest; whether or not the Company is determined to have "passive foreign investment company" ("PFIC") status as defined in Section 1297 of the United States Internal Revenue Code of 1986, as amended; excessive cost escalation as well as development, permitting, infrastructure, operating or technical difficulties on any of the properties in which LRC holds a royalty or other interest; actual mineral content may differ from the resources and reserves contained in technical reports; rate and timing of production differences from resource estimates, other technical reports and mine plans; risks and hazards associated with the business of development and mining on any of the properties in which LRC holds a royalty or other interest, including, but not limited to unusual or unexpected geological and metallurgical conditions, slope failures or cave-ins, sinkholes, flooding and other natural disasters, terrorism, civil unrest or an outbreak of contagious disease; the impact of the COVID-19 (coronavirus) pandemic; and the integration of acquired assets. The forward-looking statements contained in this press release are based upon assumptions management believes to be reasonable, including, without limitation: the ongoing operation of the properties in which LRC holds a royalty or other interest by the owners or operators of such properties in a manner consistent with past practice; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; no material adverse change in the market price of the commodities (including various lithium products) that underlie the asset portfolio; the Company's ongoing income and assets relating to determination of its PFIC status; no material changes to existing tax treatment; the expected application of tax laws and regulations by taxation authorities; no adverse development in respect of any significant property in which LRC holds a royalty or other interest; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; integration of acquired assets; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended. However, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Investors are cautioned that forward-looking statements are not guarantees of future performance. LRC cannot assure investors that actual results will be consistent with these forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

For additional information with respect to risks, uncertainties and assumptions, please refer to LRC's most recent Annual Information Form dated March 31, 2023 and filed with the Canadian securities regulatory authorities on www.sedarplus.com. These risks and uncertainties include, but are not limited to, those described under "Risk

Factors" in the Annual Information Form, and in particular risks summarized under the "Risks Related to Mining Operations" heading.

Technical and Third-Party Information

LRC does not own, develop or mine the underlying properties on which it holds royalty interests. As a royalty holder, LRC has limited, if any, access to properties included in its asset portfolio. As a result, LRC is dependent on the owners or operators of the properties and their qualified persons to provide information to LRC or on publicly available information to prepare disclosure pertaining to properties and operations on the properties on which LRC holds a royalty or other similar interests. LRC generally has limited or no ability to independently verify such information. Although LRC does not believe that such information is inaccurate or incomplete in any material respect, there can be no assurance that such third-party information is complete or accurate.