



March 3, 2022 | St. John's, Newfoundland

Altius Renewable Royalties Reports Q4 and 2021 Financial Results^(1,2)

Altius Renewable Royalties Corp. (TSX: ARR) (OTCQX: ATRWF) ("ARR" or the "Company"), will file on SEDAR financial results for the quarter and year ended December 31, 2021 today after the close of trading with a conference call to follow March 4, 2022 at 9 am ET.

Brian Dalton, CEO of ARR, acknowledged, "The past year was a truly transformative one for ARR and its 50% owned GBR joint venture. During 2021 GBR invested over US\$123 million into high quality renewable energy projects and today holds or is entitled to royalties on 16 US based hydro, wind, and solar projects representing approximately 3,510 MW". Mr. Dalton went on to further comment "Looking ahead to 2022, ARR is encouraged by the current growth of its pipeline of investment opportunities and its sense of increasing acceptance of the benefits of its partner-like, non-dilutive financing structures within the full spectrum of the renewable energy sector."

2021 Highlights

- Following a successful Initial Public Offering of 9,100,000 shares at C\$11.00 per share, and subsequent exercise of an underwriters' over-allotment option of 694,000 shares, ARR ended 2021 with 26,513,889 shares issued and outstanding of which Altius Minerals Corporation owns approximately 59%.
- During the year, development partner Tri-Global Energy ("TGE") sold five projects which provide gross revenue royalties in favor of Great Bay Renewables ("GBR") bringing the total royalties thus far under the TGE agreement to eight. The royalties created during the year include the 400 MW Honey Creek Solar project, the 175 MW Appaloosa Wind project, the 180 MW Hoosier Line Wind project, the 200 MW Blackford Wind project, and the 150 MW Blackford Solar project. The project acquirors include NextEra Energy and Leeward Renewable Energy.
- In August GBR closed a US\$35.0 million royalty investment with Longroad Energy ("Longroad") related to Longroad's 331 MWdc (250 MWac) Prospero 2 solar project located in Andrews County, Texas. Over two-thirds of the expected Prospero 2 power output is contracted to Davita and Zimmer Biomet under fifteen-year, unit contingent power purchase agreements, with the remainder of the project's energy output expected to be sold into the ERCOT spot market. The project achieved commercial operation on August 2, 2021 and is operated by Longroad. First royalty cash flow from this agreement commenced in January 2022.

- In September GBR closed a US\$52.5 million royalty investment with Northleaf Capital Partners (“Northleaf”) related to three operating-stage wind and solar renewable energy projects located in Texas. The acquired royalties included the 150 MW Old Settler wind project, the 50 MW Cotton Plains wind project, and the 15 MW Phantom Solar project. The output from Cotton Plains and Phantom Solar is sold at a fixed price under long-term contracts with the US Department of Defense through January 2045, while the output from Old Settler will be sold into the ERCOT market. Royalty revenue from this acquisition commenced in Q4 2021.
- On December 31, 2021 development partner Apex Clean Energy (“Apex”) exercised a change of control-based option to redeem the remaining residual royalty financing provided by GBR following its sale of a majority interest to Ares Capital. GBR retains three royalties earned under the Apex investment agreement; the 195 MW Jayhawk wind project, the 300 MW El Sauz wind project, and an additional 500 MW wind project. The provisional redemption consideration, including a buyout premium, was approximately US\$70 million, US\$41.7 million of which was a cash payment with the remainder representing an estimated value ascribed to the retained royalties in accordance with the agreement. Investments in Apex prior to the redemption consisted of US\$35 million in March 2020 and an additional US\$20 million in July 2021.
- ARR, through its GBR joint venture, currently holds or is entitled to royalties on 16 renewable energy projects representing approximately 3,510 MW of US based hydro, wind and solar power generation projects, including six operating stage royalties totalling 665 MW of nominal generation capacity. All the royalties are well diversified by counterparty, contracted and market based sales strategies and regional power pools.

Additional information on the renewable royalty portfolio, financial performance and operational highlights are described in greater detail in the Corporation’s public documents, including the Management Discussion and Analysis of Financial Results (MD&A).

Q4 2021 Financial Results

As at December 31, 2021 the Corporation held cash of US\$49.3 million and an additional US\$42.7 million was held by the 50% owned joint venture GBR as a result of the Apex redemption noted above. During Q4 the Corporation funded a further US\$5.2 million into GBR to primarily fund its share of TGE milestone based payments and general overhead expenses.

For the quarter ended December 31, 2021, ARR reported Attributable Revenue⁽¹⁾⁽²⁾ of US\$264,000 and a net loss of US\$1.2 million. This compares to a net loss of US\$1.4 million in Q3 2021, and net earnings of US\$904,100 in Q4 2020 which included one-time gains associated with the Apollo transaction. During 2022 revenue of US\$4.5 million to US\$5.5 million to GBR is expected from six project royalties while several others are expected to advance towards operations and provide additional revenue in future periods.

Non-GAAP Financial Measures

1. Management uses the following non-GAAP financial measures: attributable revenue, attributable royalty revenue, and adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA).
2. Management uses these measures to monitor the financial performance of the Corporation and its operating segments and believes these measures enable investors and analysts to compare the Corporation's financial performance with its competitors and/or evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace International Financial Reporting Standards (IFRS) measures, and do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies. Further information on the composition and usefulness of each non-GAAP financial measure, including reconciliation to their most directly comparable IFRS measures, is included in the non-GAAP financial measures section of our MD&A.

Conference Call Details

A conference call and webcast will be held March 4, 2022 at 9:00 am ET to provide an update and to offer an open Q&A session for analysts and investors. Access details are as follows:

DATE March 4, 2022
EVENT ARR Q4 2021 Financial Results Conference call and webcast, ID 9599187
DIAL IN 1-866-521-4909 OR 1-647-427-2311
WEBCAST [ARR Q4 2021 Results](#)

About ARR

ARR is a recently formed renewable energy company whose business is to provide long-term, royalty level investment capital to renewable power developers, operators, and originators. The Company combines industry expertise with innovative, partner-focused solutions to further the growth of the renewable energy sector as it fulfills its critical role in enabling the global energy transition.

Forward-looking information

This news release contains forward-looking information. The statements are based on reasonable assumptions and expectations of management and ARR provides no assurance that actual events will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Although ARR believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those projected. Readers should not place undue reliance on forward-looking information. ARR does not undertake to update any forward-looking information contained herein except in accordance with securities regulation.

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