

ELEMENTAL ROYALTIES NOTES KARLAWINDA ROYALTY TRANSITIONING TO STEADY STATE OPERATIONS

September 3, 2021 – Vancouver, BC: Elemental Royalties Corp. (“**Elemental**” or “the **Company**”) (TSX-V: ELE, OTCQX: ELEM), a diversified gold royalty company focused on quality, accretive and revenue-generating acquisitions across established and emerging mining regions, is pleased to note the announcement by Capricorn Metals Limited (“**Capricorn**”) (ASX: CMM) that the Karlawinda Gold Project is transitioning to steady state operations.

“Only two months from first gold pour, Karlawinda’s annualised August production rate of approximately 115,000 ounces is an excellent achievement and highlights the quality of the project and management team at Capricorn” Frederick Bell, CEO of Elemental commented. *“With an expected increase in throughput processing rates from September and ongoing progress towards steady state operations, these early production figures are very encouraging.”*

Karlawinda August Operating Results

- Operation generating strong positive cashflow and in good position to achieve goal of steady state operations by end of September
- Estimated 9,800 ounces gold production in August, equivalent to an annualised run rate of 115,400 ounces in only the second month since first gold pour
- This annualised rate is equivalent to royalty revenue of approximately US\$4.0 million for Elemental at an US\$1,800/oz gold price
- Achieved with a mill availability of 94.8% and in spite of a number of shutdowns for commissioning and rectification activities
- Annualised throughput rate of 4.2 million tonnes per annum using exclusively hard laterite feed in line with targeted range
- Addition of soft oxide ore expected in September should contribute to increased throughput with a long term targeted range of 4.5 – 5 Mtpa from the oxide and fresh rock blend
- Milled grade in line with expectations and gold recovery of 93.5% through the CIL circuit has been above expectations, allowing a coarse grind to be utilised which assists throughput
- Early reconciliation indicates that mining is achieving grade control ounces

On behalf of Elemental Royalties Corp.

Frederick Bell

CEO and Director

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About Elemental Royalties

Elemental is a gold-focused royalty company listed on the TSX-V in Canada and provides investors with lower risk precious metals exposure through a portfolio of nine high-quality royalties. This enables investors to benefit from ongoing royalty revenue, future exploration upside and low operating costs. Elemental's experienced team seeks to secure royalties in advanced precious metals projects, run by established operators, from its pipeline of identified opportunities.

Qualified Person

Richard Evans, FAusIMM, is Senior Vice President Technical for Elemental, and a qualified person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects, has reviewed and approved the scientific and technical disclosure contained in this press release.

Neither the TSX-V nor its Regulation Service Provider (as that term is defined in the policies of the TSX-V.) accepts responsibility for the adequacy or accuracy of this press release.

Cautionary note regarding forward-looking statements

This release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology.

Forward-looking statements and information include, but are not limited to, statements with respect to the future growth and development of the Company. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Elemental to control or predict, that may cause Elemental's actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to: the requirement for regulatory approvals and third party consents, the impact of general business and economic conditions, the absence of control over the mining operations from which Elemental will receive royalties, including risks related to international operations, government relations and environmental regulation, the inherent risks involved in the exploration and development of mineral properties; the uncertainties involved in interpreting exploration data; the potential for delays in exploration or development activities; the geology, grade and continuity of mineral deposits; the impact of the COVID-19 pandemic; the possibility that future exploration, development or mining results will not be consistent with Elemental's expectations; accidents, equipment breakdowns, title matters, labor disputes or other unanticipated difficulties or interruptions in operations; fluctuating metal prices; unanticipated costs and expenses; uncertainties relating to the availability and costs of financing needed in the future; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; currency fluctuations; regulatory restrictions, including environmental regulatory restrictions; liability, competition, loss of key employees and other related risks and uncertainties. Elemental undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available.

No forward-looking statement can be guaranteed, and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.