

ELEMENTAL ROYALTIES ANNOUNCES STRONG REVENUE AND OPERATING CASH FLOW IN Q1 2022 RESULTS

May 19, 2022 – Vancouver, BC: Elemental Royalties Corp. (“Elemental” or “the Company”) (TSX-V: ELE, OTCQX: ELEMFM) is pleased to announce its operating and financial results for the three months ended March 31, 2022. For complete details please refer to the Financial Statements and associated Management Discussion and Analysis for the three months ended March 31, 2022, available on SEDAR (www.sedar.com) or the Company’s website (www.elementalroyalties.com).

Frederick Bell, CEO of Elemental commented:

“The timing of the unsolicited approach that Elemental received was no coincidence; 2022 is forecast to deliver a 50-80% increase in Gold Equivalent Ounces and represent another consecutive record year for the Company. We have seen the Mount Pleasant royalty start to contribute meaningfully in Q1 and expect the additions of the Ming gold stream in Q2 and Mercedes royalty in Q3 to further accelerate our growth.”

“The announcement in the quarter of the Company’s first gold stream on Rambler’s Ming copper-gold mine in Newfoundland further broadens Elemental’s portfolio of producing assets and opens up a new avenue for business development directly with mine operators. Post quarter-end we were very pleased to close the acquisition with the support of a new institutional shareholder through an over-subscribed non-brokered private placement.”

“Alongside a solid quarter of production across our royalties, we are particularly excited to see exploration underway across some of our major assets that will continue to demonstrate the upside potential for shareholders at no cost to Elemental.”

Asset Highlights

- Announced acquisition of a 50% gold stream on Rambler Metal and Mining’s Ming copper-gold mine in Newfoundland, Canada. The stream steps down to 35% of payable gold production after 10,000 ounces are delivered and then 25% once 15,000 ounces are delivered
- First material revenue from Mount Pleasant royalty following start of mining at Tuart underground mine. Tuart forms part of Zijin Mining’s Paddington Operation in Western Australia and is operated by fully owned subsidiary Norton Goldfields
- Record quarterly gold production at Capricorn’s Karlawinda mine alongside commencement of a 129 hole, 29,500 metre near-mine RC drill program
- Wahgnion exploration comprising of 6,500 metres of drilling completed in Q1 with US\$9 million budget allocated by operator Endeavour Mining for 2022
- Increase in Indicated Resource at Focus Minerals’ Beasley Creek South gold deposit
- Positive results at Future Metals’ Panton high-grade PGM resource in Western Australia demonstrate potential for new bulk mining model

Financial Highlights

- Quarterly revenue of US\$2.2 million generated across five diversified royalties
- Total of 1,147 attributable gold equivalent ounces (GEOs) sold at zero cash cost to the company
- Operating cash flow inflow of US\$1.2 million
- Net loss of US\$1.2 million
- Adjusted EBITDA of US\$1.0 million, refer to the “Non-IFRS Measures” section of the MD&A
- Cash and cash equivalents of US\$17.3 million prior to the acquisition of the Ming gold stream

Outlook

Elemental continues to expect a record 5,700 to 6,700 GEOs in 2022 from its existing portfolio, a gain of between 54% and 81% from 2021. GEOs are weighted towards the second half of the year, with the addition of the Ming gold stream from Q2 and the Mercedes royalty from Q3 further diversifying the revenue base.

Approximately 95% of expected revenue is from gold and silver. At a US\$1,800 per ounce average received gold price, this guidance would achieve revenue of approximately US\$10 million to US\$12 million in 2022.

Corporate Update

On May 12, 2022, Elemental confirmed that the unsolicited all-share hostile bid (the “Hostile Bid”) made by Gold Royalty Corp. (“Gold Royalty”) had not been successful. Based on available information the Company estimates that significantly less than 5% of its shares were tendered to the Hostile Bid. Having failed to meet the statutory minimum tender condition of more than 50% of the Elemental shares outstanding (excluding those shares beneficially owned, or over which control or direction is exercised by, Gold Royalty or by any persons acting jointly or in concert with Gold Royalty), Gold Royalty allowed the Hostile Bid to expire.

As previously disclosed, Elemental’s Board continues to review alternative strategic options. Elemental cautions shareholders that there can be no certainty of a transaction. and alternative strategic options involving counterparties other than Gold Royalty.

On behalf of Elemental Royalties Corp.

Frederick Bell

CEO and Director

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Elemental is a proud member of Discovery Group. For more information please visit: www.discoverygroup.ca or contact 604-653-9464.

TSX.V: ELE | OTCQX: ELEM | ISIN: CA28619L1076

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 ten high-quality royalties and streams. 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.

Notes

1. Non-IFRS Measures

The Company has included certain performance measures which are non-IFRS and is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These non-IFRS measures do not have any standard meaning under IFRS and other companies may calculate measures differently.

Adjusted EBITDA excludes the effects of certain other income/expenses and unusual non-recurring items. Adjusted EBITDA is comprised of earnings before interest, taxes, depletion and share based compensation. Management believes that this is a useful measure of the Company's performance because it adjusts for items which may not relate to underlying operating performance of the Company and/or are not necessarily indicative of future operating results.

2. Gold Equivalent Ounces

The Company's royalty revenue is converted to an attributable gold equivalent ounce basis by dividing the royalty revenue received in a period by the average gold price for the same respective period. The production forecast was derived using information that is available in the public domain as at the date hereof, which included guidance and estimates prepared and issued by management of the operators of the mining operations in which Elemental holds an interest. The production forecast is sensitive to the performance and operating status of the underlying mines. None of the information has been independently verified by Elemental and may be subject to uncertainty. There can be no assurance that such information is complete or accurate.

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, the Company's 2022 guidance, the availability of alternative strategic options for the Company and whether such options represent greater value to Elemental's shareholders; and whether any takeover or change of control transaction involving the Company will occur and/or be completed and as to the timing thereof. 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.