

Providing capital to the  
mining sector to supply  
the commodities central  
to a sustainable future



## **Ecora Resources PLC**

2022 Full year results presentation

March 2023

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- Forward-looking statements are provided for the purposes of assisting readers in understanding the Group’s financial position and results of operations as at and for the periods ended on certain dates, and of presenting information about management’s current expectations and plans relating to the future. It is believed that the expectations reflected in this presentation are reasonable but they may be affected by a wide range of variables that could cause actual results to differ materially from those currently anticipated. Readers are cautioned that such forward-looking statements may not be appropriate other than for purposes outlined in this presentation. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions, that may be general or specific, which could cause actual results to differ materially from those forecast, anticipated, estimated or intended in the forward-looking statements. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. The forward-looking statements made in this presentation relate only to events or information as of the date on which the statements are made and, except as specifically required by applicable laws, listing rules and other regulations, the Group undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.
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- This presentation also contains forward-looking information contained and derived from publicly available information regarding properties and mining operations owned by third parties. This presentation contains information and statements relating to the Kestrel mine that are based on certain estimates and forecasts that have been provided to the Group by Kestrel Coal Pty Ltd (“KCPL”), the accuracy of which KCPL does not warrant and on which readers may not rely.

## Strong financial performance

- Record portfolio contribution of \$143m (2021: \$86m)
- Record AEPS of 37.55c (2021: 25.18c)
- Net debt of \$36m (2021: \$90m)
- Dividend well covered (4.4x) (2021: 2.6x)

## Portfolio well positioned for growth from future facing commodities

- Acquisition of a high-quality royalty portfolio of near-term copper nickel royalties from South32
- Project financing process underway, first production from Piauí small scale PNP1000 plant
- Attractive fundamentals underpin commodity exposure
- Strong commodity prices underpinning commodity basket

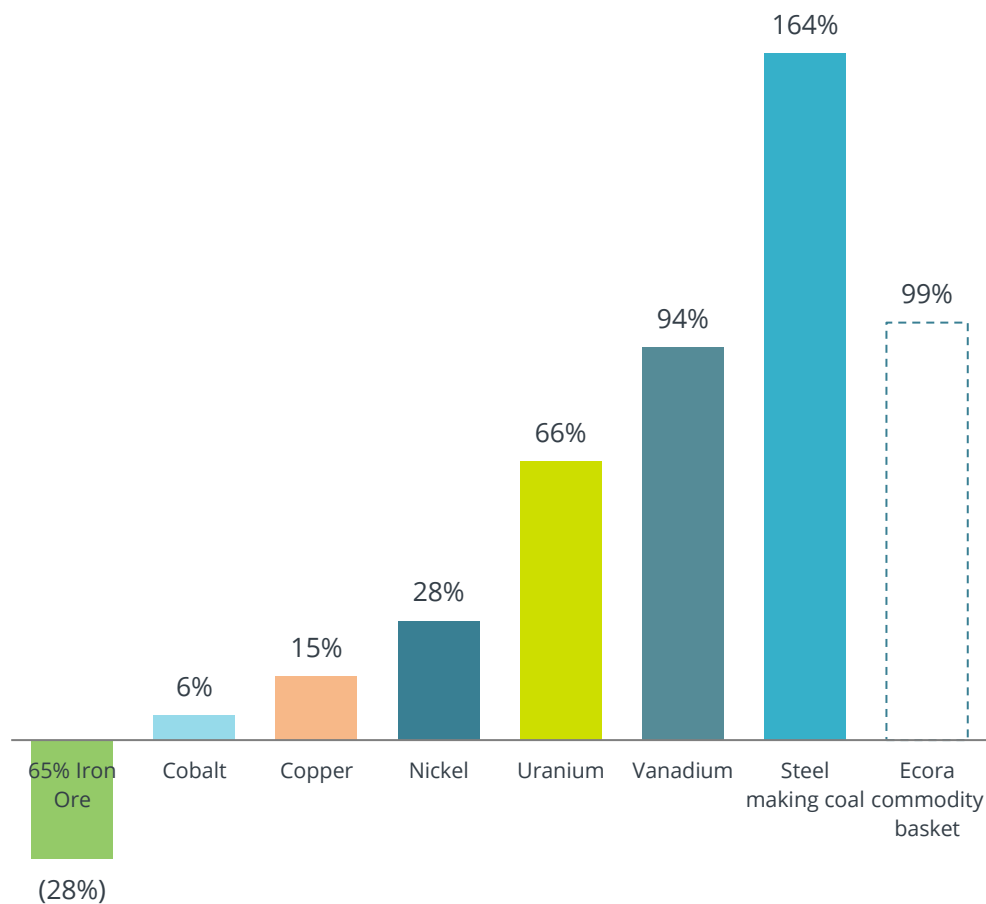
# Commodity prices underlying portfolio have remained robust

## Ecora commodity basket performance<sup>(1)</sup>

Rebased to 100



## Commodity price changes from January 2021<sup>(1)</sup>



1. Ecora commodity basket weighted to 2023 research analysts' forecast portfolio contribution by commodity. Market data sourced from Bloomberg and Fastmarkets as at 23 March 2023.



## OBJECTIVE 1

Replace the income from Kestrel coal royalty with income from future facing commodities

- Maracás Menchen**  
Vanadium
- McClellan Lake**  
Uranium
- LIORC**  
Iron ore pellets
- Mantos Blancos**  
Copper
- Voisey's Bay**  
Cobalt

✓ Voisey's Bay acquisition completed strategic objective

## OBJECTIVE 2

Pivot portfolio towards growth

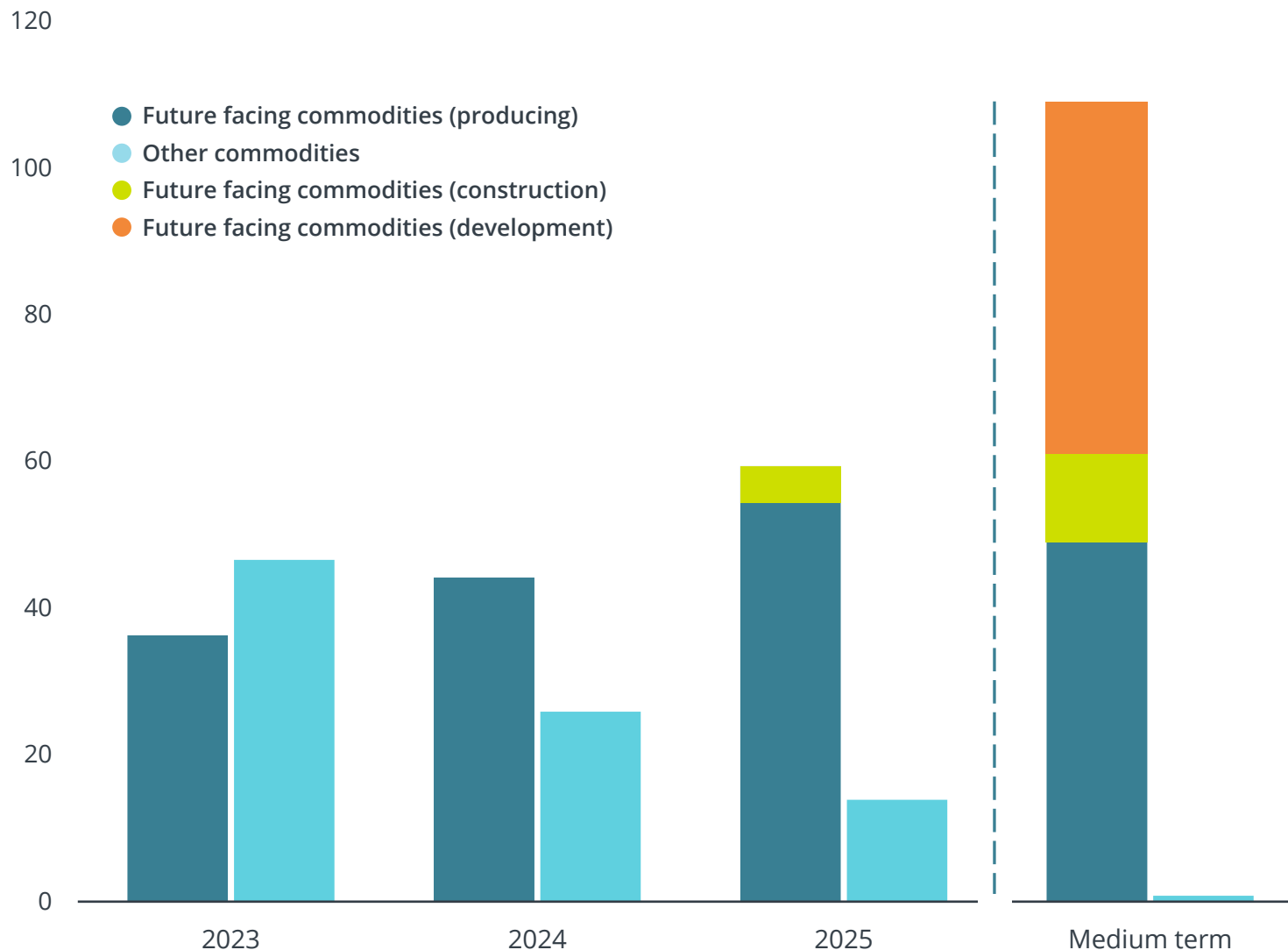
- Piauí Nickel - Cobalt**
- Cañariaco**  
Copper
- Incoa**  
Calcium carbonate
- West Musgrave**  
Copper Nickel
- Santo Domingo**  
Copper Cobalt
- Nifty**  
Copper

✓ South32 acquisition completed strategic objective by injecting medium term growth from future facing commodities

## OBJECTIVE 3

Add scale and further diversification

## Revenue growth from future facing commodities<sup>(1)</sup>



### Development<sup>(2)</sup>

- Santo Domingo – targeted start up 2026-2028
- Piauí – targeted start up 2026-2027
- Nifty – targeted start up 2024-2026

### Construction<sup>(2)</sup>

- West Musgrave – targeted start up 2025



Sector leading dividend

1. Based on consensus forecasts of covering sell side analysts.

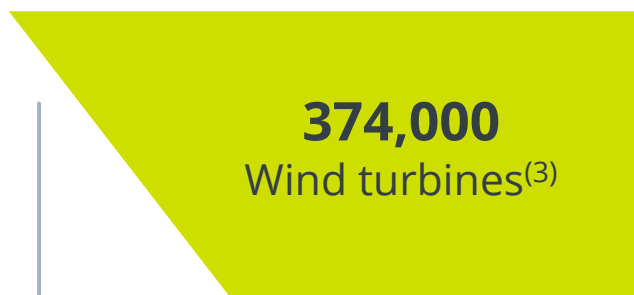
2. Based on company disclosures.

Transition technologies will require vast amounts of metals

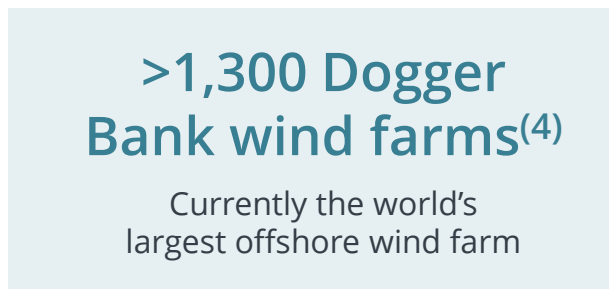
## Requirements by 2040 for net-zero emissions scenario



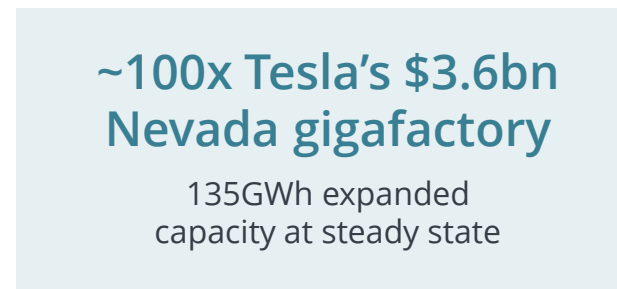
→ Corresponds to:



→ Equivalent of:



→ Equivalent of:



1. BloombergNEF electric vehicle fleet 2040, Long-term Electric Vehicle Outlook Nov-2022.

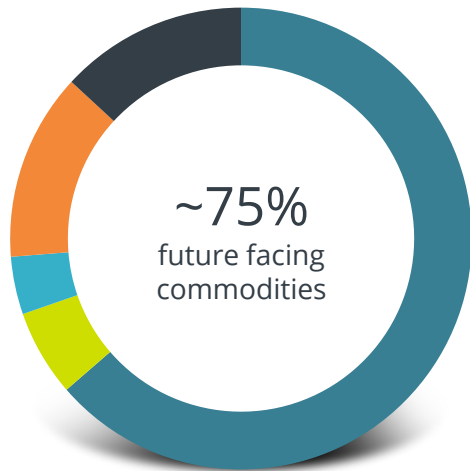
2. World Bank data. 2040 global population for ages 15-64.

3. Glencore 2023 BMO conference presentation - 15MW turbines.

4. Dogger Bank A, B & C totals 277 turbines, SSE renewables.

# Portfolio aligned to strong commodity demand trends

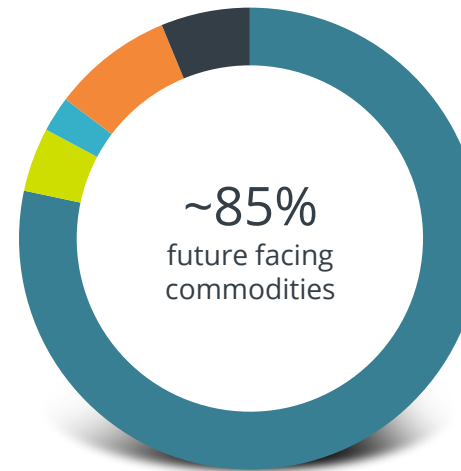
## Year end 2021



### Commodity Exposure <sup>(1)</sup>

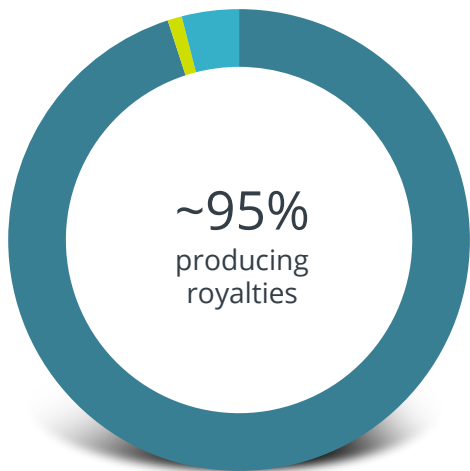
- Base metals - 63%
- Uranium - 6%
- Vanadium - 4%
- Coking coal - 13%
- Other - 13%

## Year end 2022



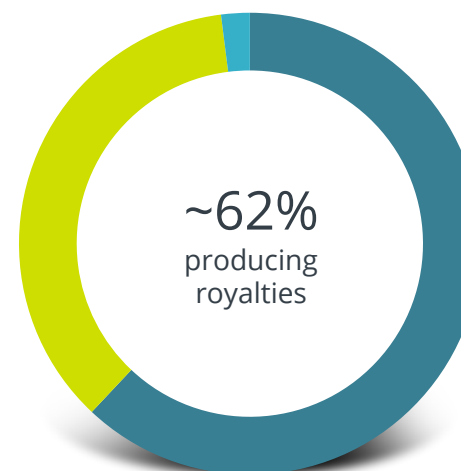
### Commodity Exposure <sup>(1)</sup>

- Base metals- 78%
- Uranium - 4%
- Vanadium - 2%
- Coking coal - 8%
- Other - 6%



### Stage of development <sup>(1)</sup>

- Producing - 95%
- Development - 1%
- Early Stage - 4%



### Stage of development <sup>(1)</sup>

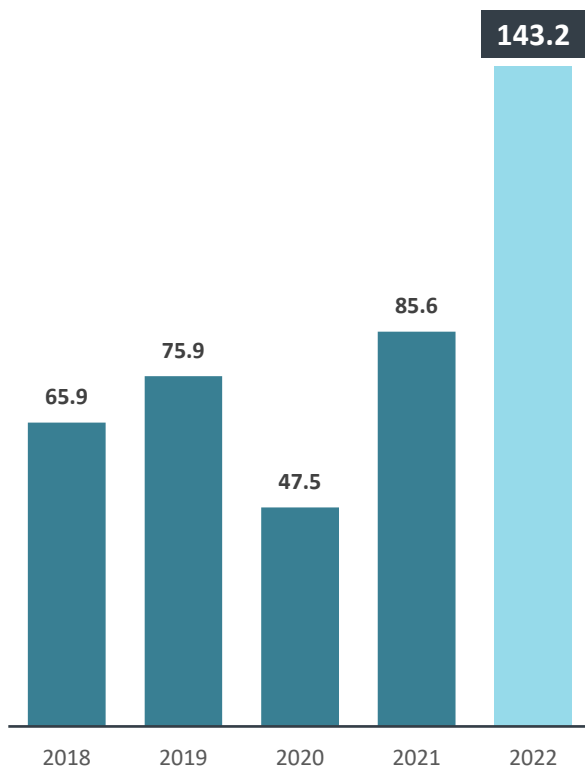
- Producing - 62%
- Development - 36%
- Early Stage - 2%

1. Book value of assets as at 31 December of the relevant year, net of deferred tax where applicable.



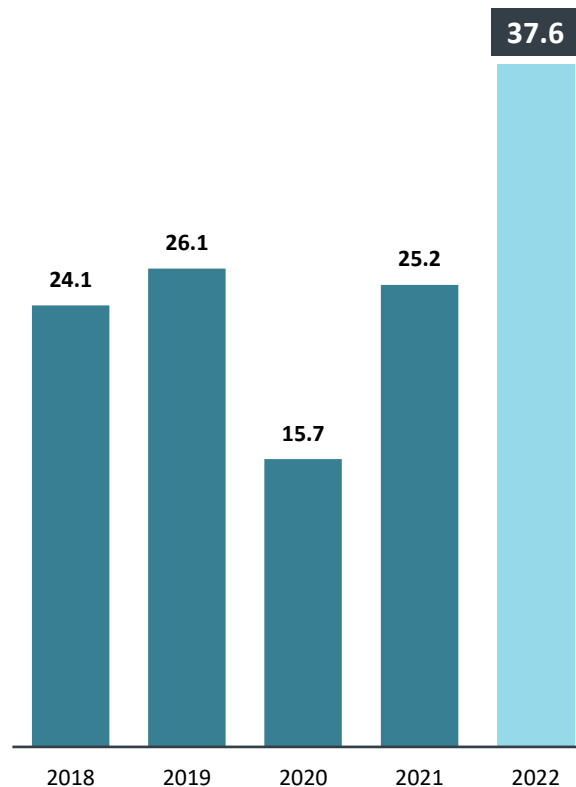
# Financials

## Portfolio contribution (US\$m)



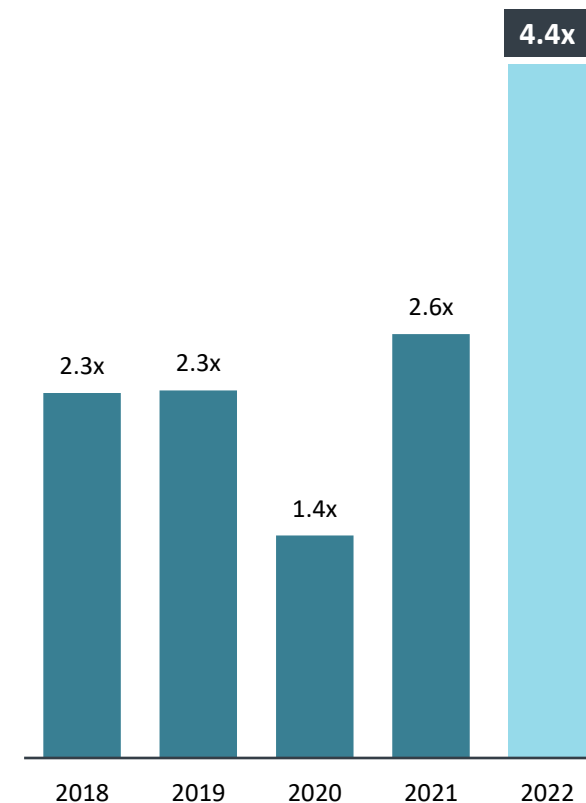
- Driven by resilient commodity prices
- \$36m from core portfolio of which \$33m from future facing commodities
- Transition out of Ecora lands at Kestrel begun during Q4 22

## Adjusted earnings per share<sup>(1)</sup> (USc)



- Royalty model is highly defensive in times of inflation
- Adjusted earnings margin remained static at 62%
- Operating costs remained in line with FY 22

## Dividend cover<sup>(2)</sup>



- Final dividend of 1.75p taking total for the year to 7p
- Dividend to be rebased into US\$ at 2.125c per quarter
- No change in dividend policy

1. Adjusted earnings/(loss) represents the Group's underlying operating performance from core activities. Adjusted earnings/(loss) is the profit/(loss) attributable to equity holders less all valuation movements, non-cash impairments and amortisation charges (which are non-cash IFRS adjustments that arise primarily due to changes in commodity prices), finance costs, any associated deferred tax and any profit or loss

on non-core asset disposals as these are not expected to be ongoing.  
2. Dividend cover is calculated as the number of times adjusted earnings per share exceeds the dividend per share.

# Portfolio contribution

(\$m)	31 Dec 2022	31 Dec 2021	%
<b>Core portfolio</b>			
Voisey's Bay (cobalt)	14.6	12.5	17%
Mantos Blancos (copper)	6.0	5.7	5%
Maracás Menchen (vanadium)	3.6	3.3	9%
LIORC (high purity iron ore pellets)	2.9	5.6	(48%)
McClellan Lake (uranium)	5.0	3.7	35%
Four Mile (uranium)	1.0	0.3	233%
Other (copper and gold)	2.9	3.0	-
<b>Total core portfolio</b>	<b>36.0</b>	<b>34.1</b>	<b>3%</b>
<b>Short term run-off portfolio</b>			
Kestrel (steel making coal)	107.2	48.1	123%
Narrabri (disposed – thermal coal)	n/a	3.4	n/a
<b>Total short term run-off portfolio</b>	<b>107.2</b>	<b>51.5</b>	
<b>Total portfolio contribution</b>	<b>143.2</b>	<b>85.6</b>	<b>67%</b>



\$36.1m of portfolio contribution from core portfolio



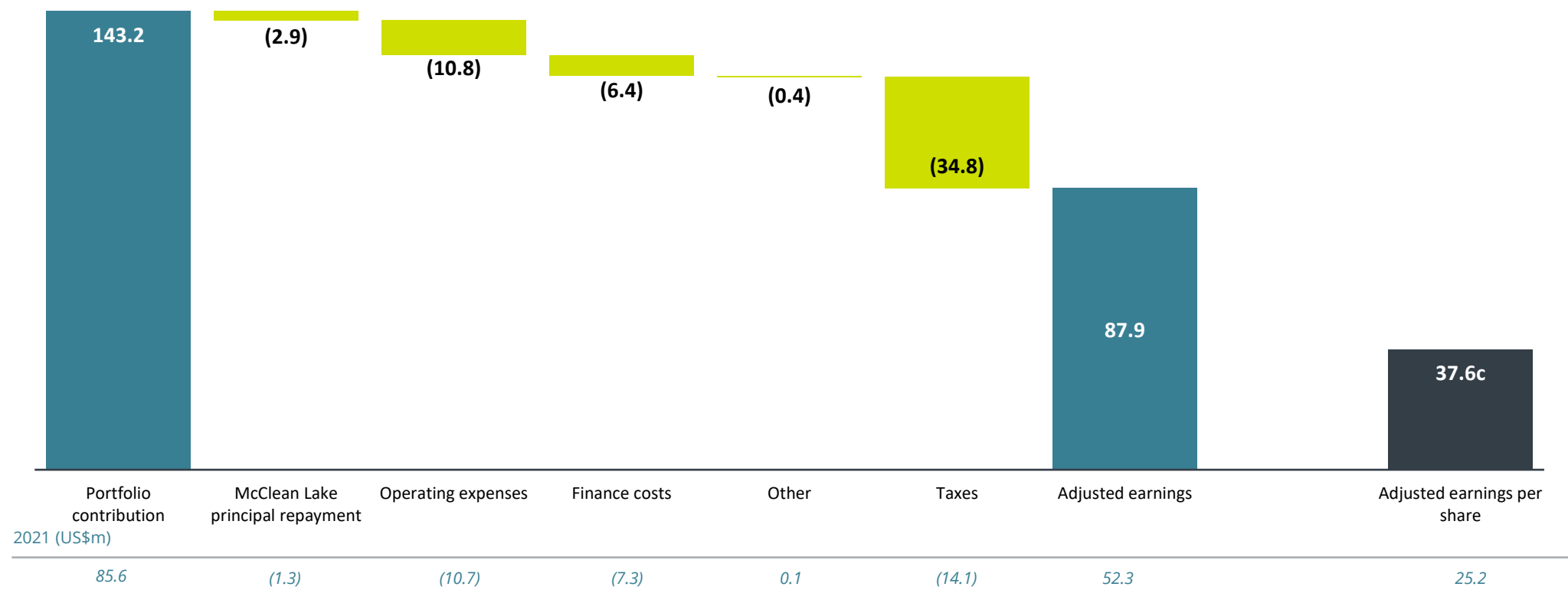
Kestrel through cycle revenue ~\$40m



Final dividend of 1.75p taking total for the year to 7p

1. Annual average contribution from Kestrel from 2017 – 2021.

## Change in Earnings (US\$m)



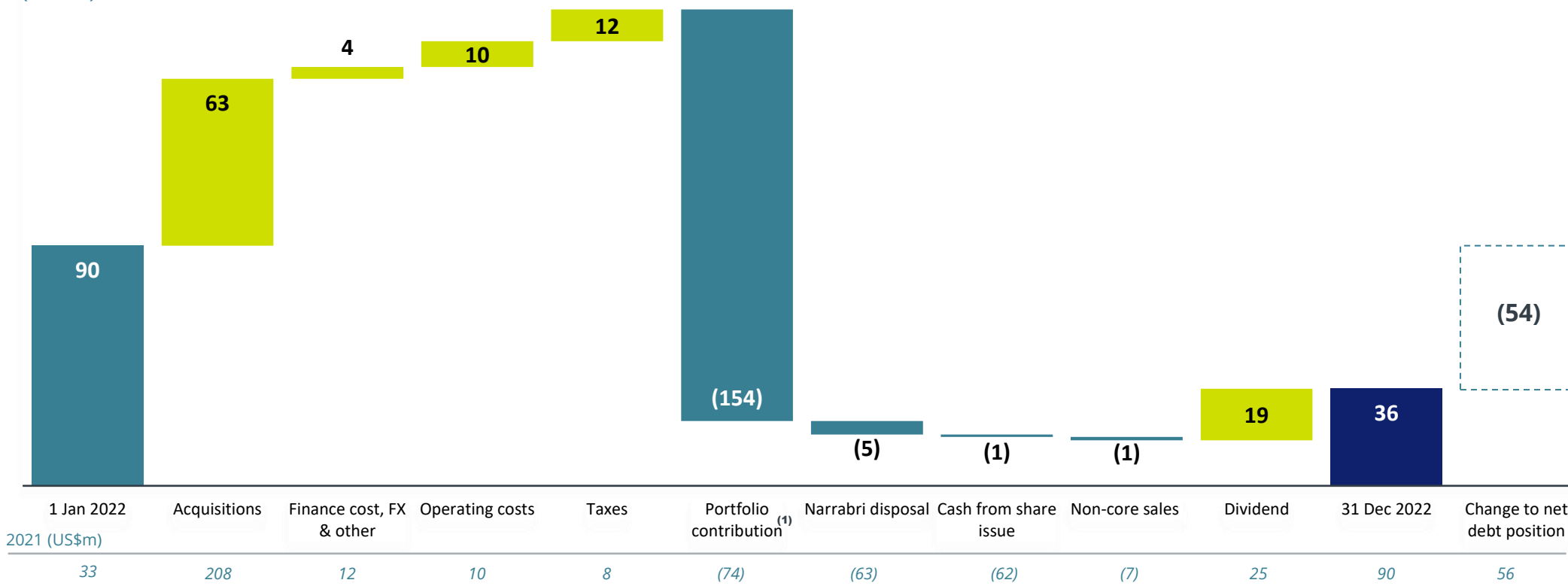
- Adjusted earnings margin remained static at 62% despite inflationary background
- Adjusted earnings per share impacted by the financing of a strategic acquisition of a portfolio of near-term producing royalties
- Operating costs (inclusive of share based payments) remained in line with previous year

# Summary balance sheet

(\$m)	31 Dec 2022	31 Dec 2021
Metal streams (inc deferred tax)	197.6	203.0
Coal royalties (Kestrel)	106.7	84.5
Royalty financial instruments	43.9	53.8
Royalty and exploration intangibles	252.6	69.5
Other long-term receivables	37.4	39.1
<b>Total royalty assets</b>	<b>638.2</b>	<b>449.9</b>
Cash and cash equivalents	5.9	22.0
Trade and other receivables	21.6	34.9
Other (including deferred tax)	13.2	13.7
<b>Total assets</b>	<b>678.9</b>	<b>520.5</b>
Borrowings	42.3	112.0
Deferred tax	40.9	36.7
Trade and other payables	46.1	4.6
Other	46.0	10.1
<b>Total liabilities</b>	<b>175.3</b>	<b>163.4</b>
<b>Net Assets</b>	<b>503.6</b>	<b>357.1</b>

# Net debt reduced by \$54m

## Change in net debt (US\$m)



- Group's cash balances and access to liquidity is with large Australian and Canadian blue chip lenders
- Borrowing facility modified during the year: headline preserved at \$150m; \$50m accordion added; and maturity extended by 12 months
- Borrowings set to increase during the course of FY 23, peaking in Q4 23, with South32 instalments and tax payable on record income

1. Includes revenue received in advance

Strong financial position with a focus on reducing debt, growth and shareholder returns



Balance sheet strength

- Deployed ~\$400m since Q1 2021
- Net debt ~\$36m at end 2022



Funding for further acquisitions

- Strong banking relationships
- ~\$180m of liquidity for future growth



Quarterly dividends

- Final dividend of 1.75p per share taking full year dividend to 7p per share
- Dividend will be rebased into US\$ from Q1 2023



Other shareholder returns

- Dependent on business performance and royalty and stream acquisition during the year and outlook

US\$200 million RCF<sup>(1)</sup>



1. Inclusive of \$50m accordion facility which can be drawn subject to lender consent.

# **Portfolio update**



## Kestrel (steel making coal)

- Record coal prices drove \$107m contribution
- Queensland government added new higher royalty bands
- Saleable production lower than expected in Q4
- Volumes appear to have been deferred into Q1 23

## Voisey's Bay (cobalt)

- Transition from open pit to underground mine underway
- Slower than anticipated transition due to impact of COVID-19

## Mantos Blancos (copper)

- Completed the debottlenecking project to expand sulphide mill production to 7Mtpa

## West Musgrave (copper nickel)

- FID taken in September
- Construction commenced in November
- OZ Minerals agreed to takeover by BHP

## Piauí (nickel)

- PNP1000 plant commenced production in July

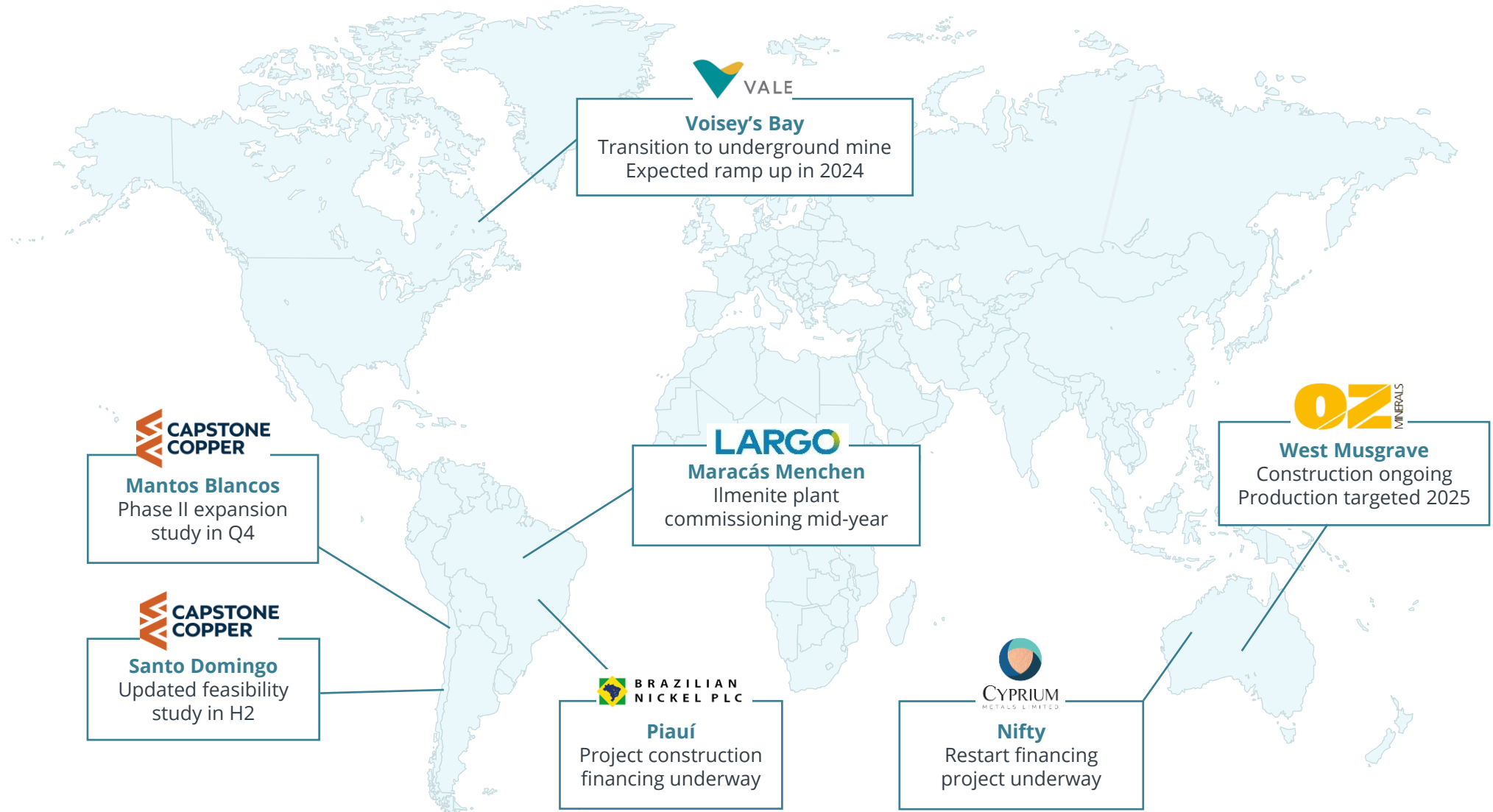
## Santo Domingo (copper cobalt)

- Completion of Mantoverde-Santo Domingo district integration plan
- Identified \$80-100m of annual cost savings



# Upcoming portfolio catalysts

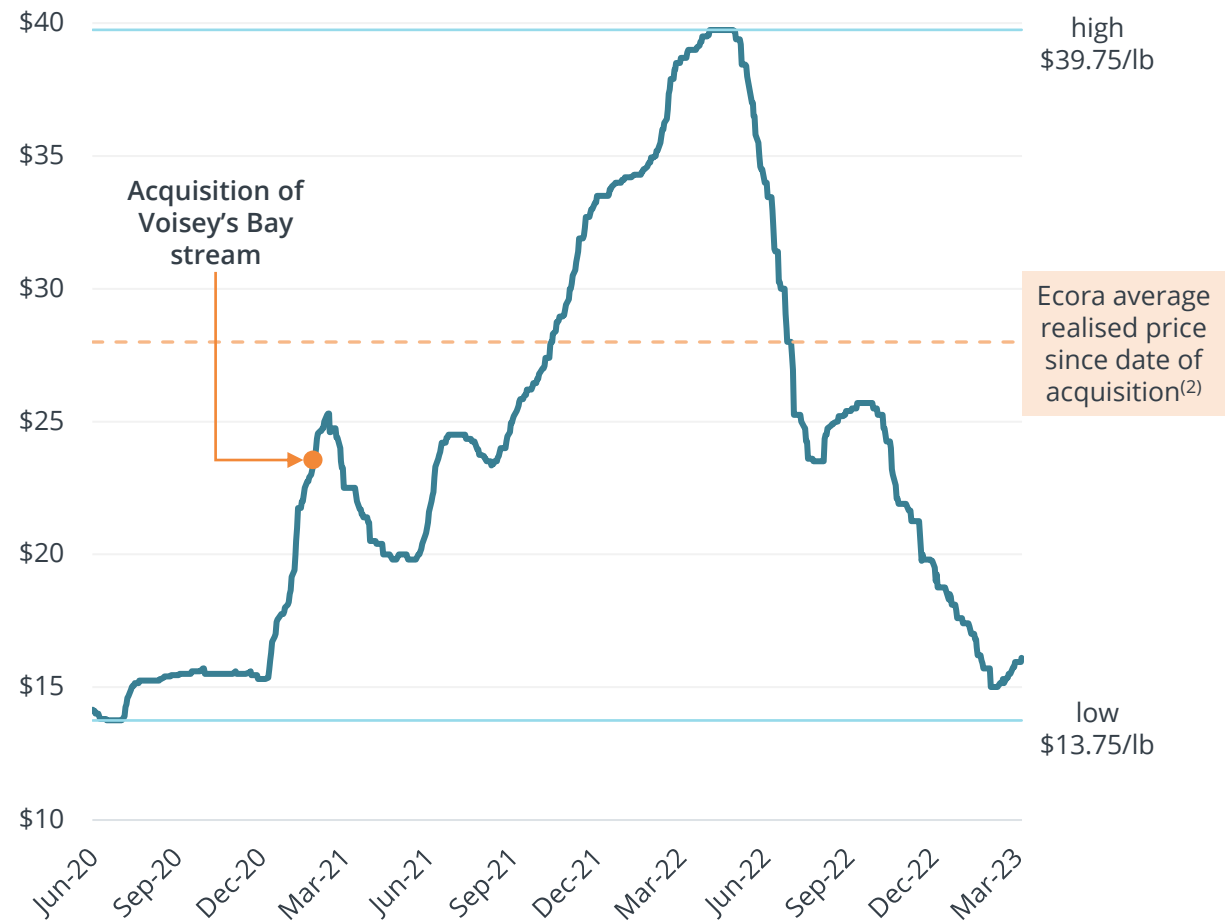
## Pipeline of catalysts across producing and development stage projects



1. See endnotes.

## Cobalt price performance<sup>(1)</sup> (\$/lb)

- Prices have weakened in early 2023 following a strong performance in 2022
- New supply from Indonesia changing market balance
- Reduced demand from portable consumer electronics
- Medium-long term outlook remains positive
- Average realisation from Voisey's Bay since Ecora acquired stream is ~\$28/lb



1. 30-June 2020 to 23-March 2023. Fastmarkets low cobalt price MB-CO-0005.

2. Ecora realised price pre-metal stream deductions.

## Mining operations & commodities that support a sustainable future



### Required to achieve the electrification of energy consumption

✓ Copper

✓ Zinc

✓ Tin

✓ Nickel

✓ Manganese

✓ Hydrogen

✓ Lithium

✓ Graphite

✓ Rare Earths

✓ Cobalt

✓ Vanadium

Current Commodity Exposure

### Encompassing relative environmental benefits

- ✓ Producing high purity products
- ✓ Low levels of environmentally damaging impurities
- ✓ Operations with relatively low carbon footprints
- ✓ Relative reduction of scope 3 carbon emissions within wider supply chain

Long-term value can only be achieved through sustainable and responsible investment

## UN Global Compact & SDGS

- Prepared first COP report under UNGC which will be submitted in Q2 2023
- Started to align business with UN SDGs

## SBTi aligned objective setting

- Setting objectives leveraging guidance from the SBTi for SMEs
- Ecora had zero scope 1 and 2 emissions for 2022
- Ecora continues to enhance understanding of scope 3 emissions (particularly in relation to our investments)

## Operator engagement

- Identified community projects where we can support our mining operators' initiatives
- 86% response rate from operators to our ESG information requests

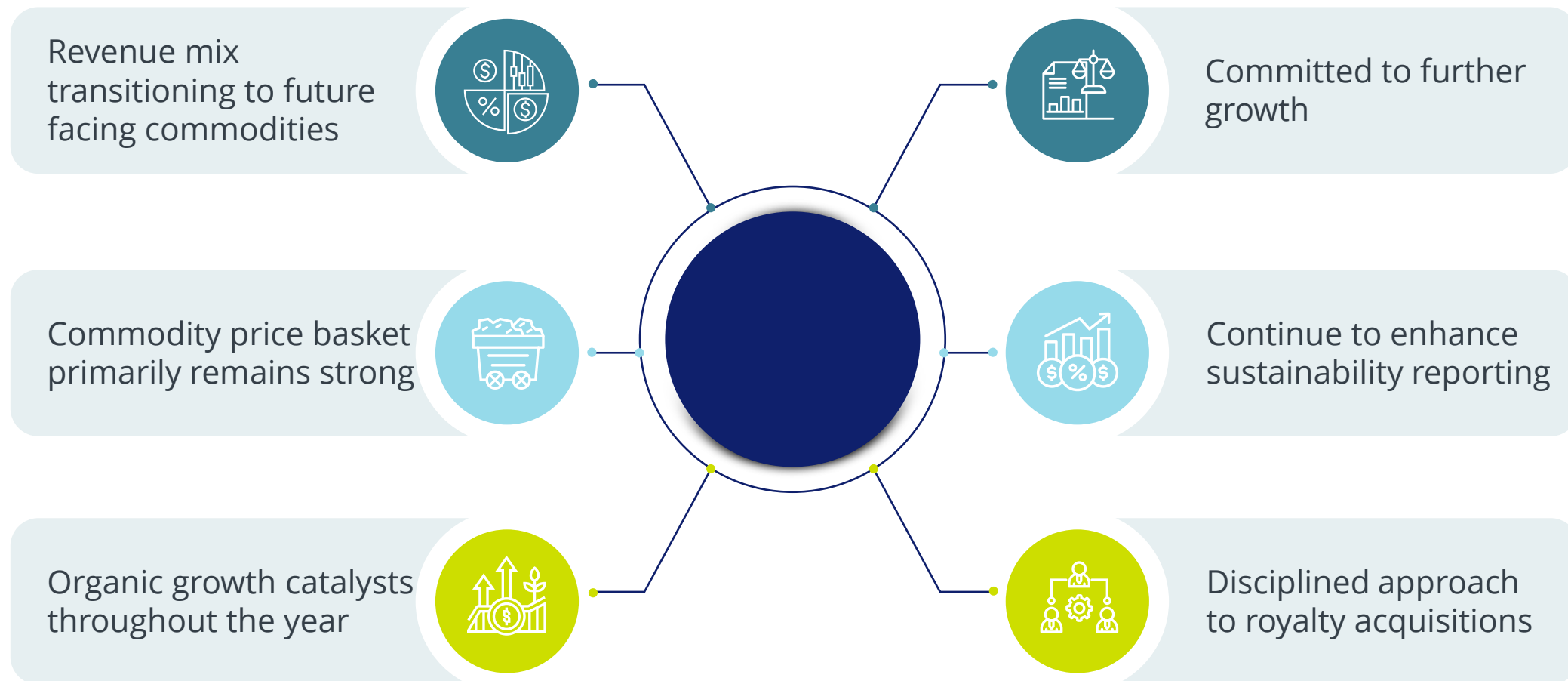
## Ratings agencies

- Improved Sustainalytics rating from severe (44.7) to low (14.2)



United Nations  
Global Compact

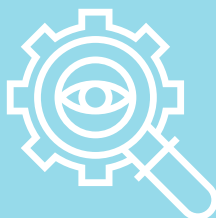




# Appendix

## Our vision

To be globally recognised as the royalty company synonymous with commodities that support a sustainable future by continuing to grow and diversify our royalty portfolio.



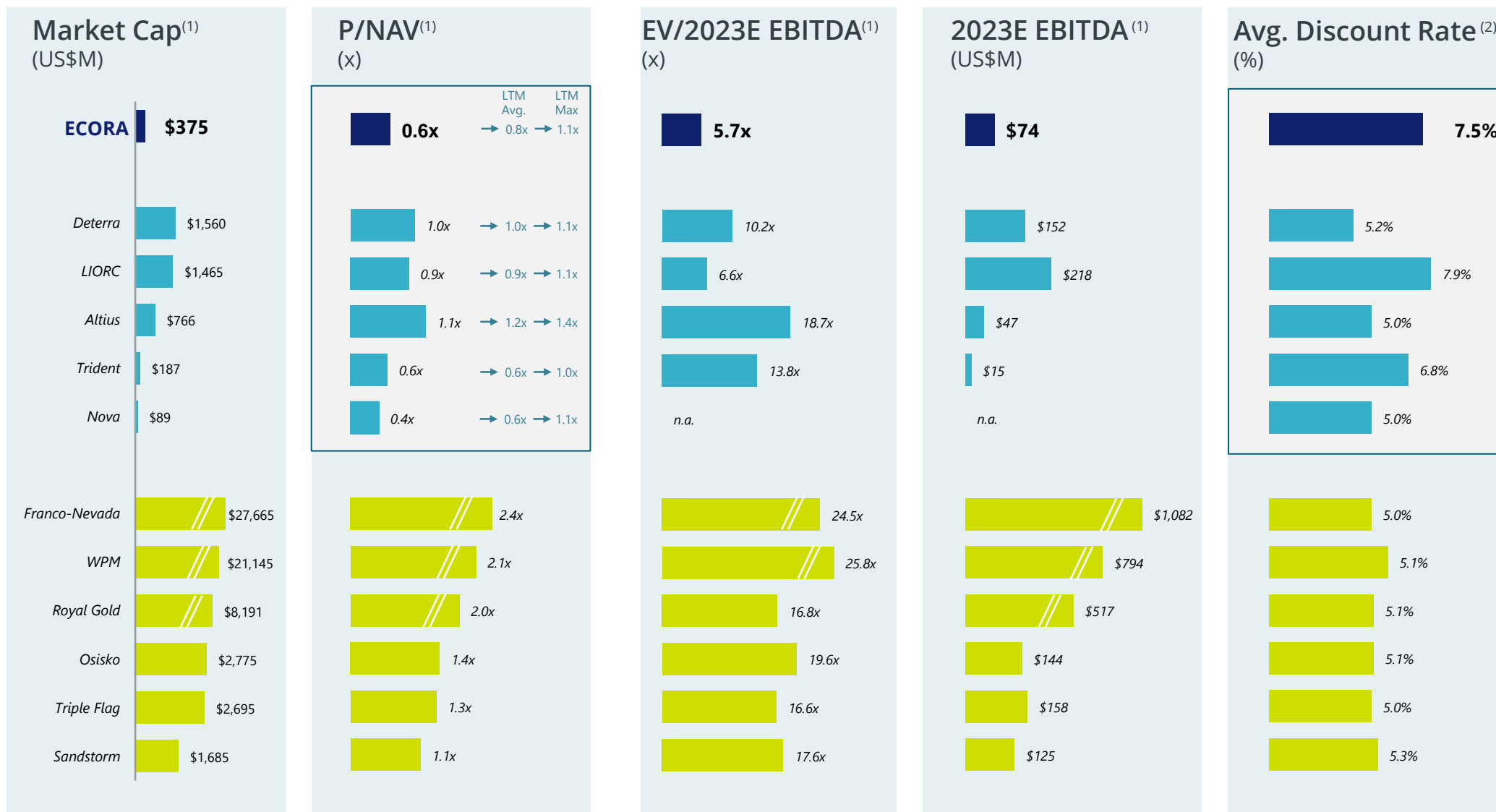
## Our strategy

To acquire royalties and streams over low-cost mining operations and projects with strong management teams, located in well-established mining jurisdictions in the commodities required to enable the energy transition or that are produced in a more sustainable way.





# Ecora offers exceptional value both relative to peers and in absolute terms



Source: Broker reports, company information, S&P Capital IQ.

1. Market data used for peers (per S&P Capital IQ) as of 23 March

2023.

2. Based on analyst consensus estimates of NAV, cash flow and discount rates.

- Non-precious peers
- Precious peers

# Diversified portfolio of producing royalties

Market cap of listed producing royalty counterparties ~ \$200bn

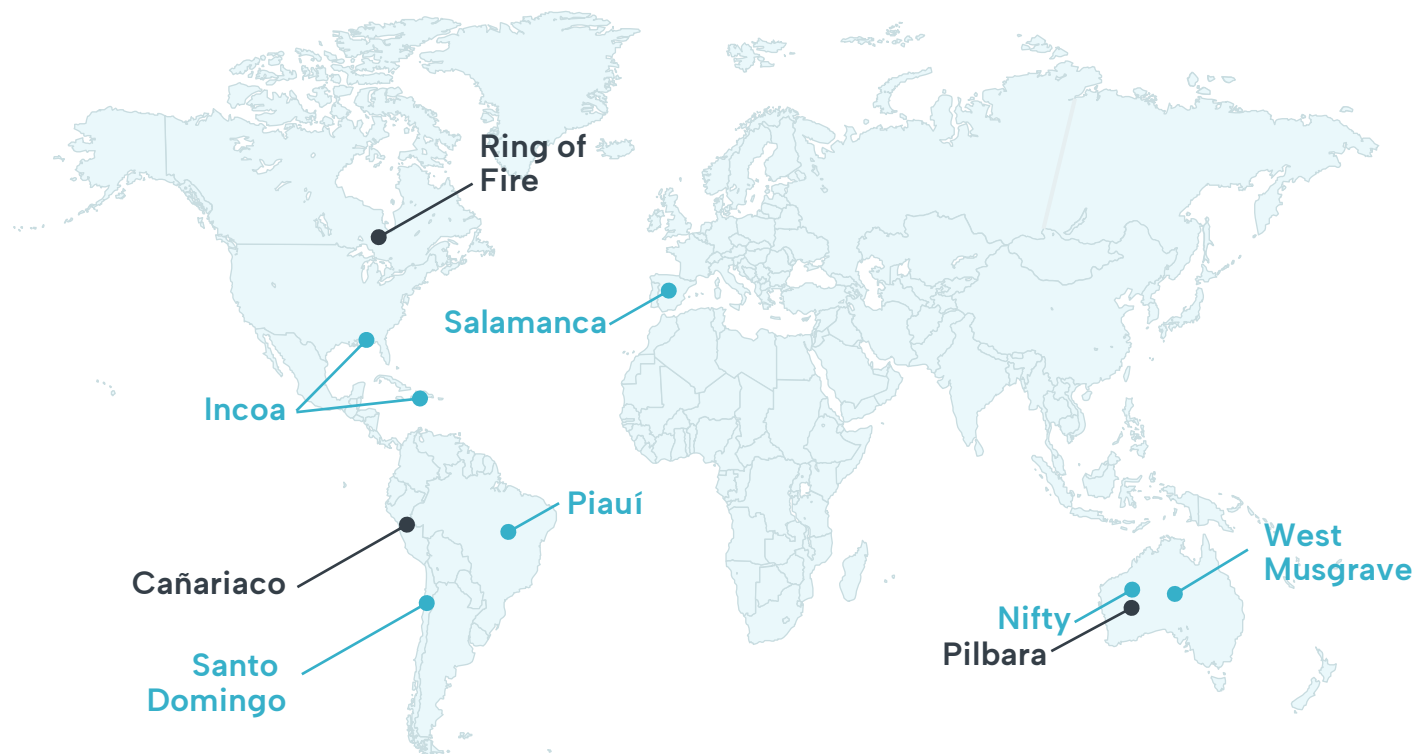


## Producing

Asset / Commodity <sup>(1)</sup>	Voisey's Bay Cobalt	Mantos Blancos Copper	IOC Iron Ore	Maracás Menchen Vanadium	McClean Lake Mill Uranium	Kestrel Coking Coal	EVBC Gold	Four Mile Uranium	Carlota Copper
Operator	VALE	CAPSTONE COPPER	RioTinto	LARGO	Denison Cameco	adaro EMRCapital	ORVANA MINERALS CORP	QUASAR	KGHM
Royalty / stream	22.82% Co stream	1.525% NSR	7% GRR (indirect)	2% NSR	22.5% of Toll Milling	7 – 40% GRR	2.5 – 3% NSR	1% NSR	5% NSR
Mine Life	2035	2038	2045	2041	2037	2026	2026	2029	2024

1. See endnotes.

# Supported by a strong growth pipeline



## Development

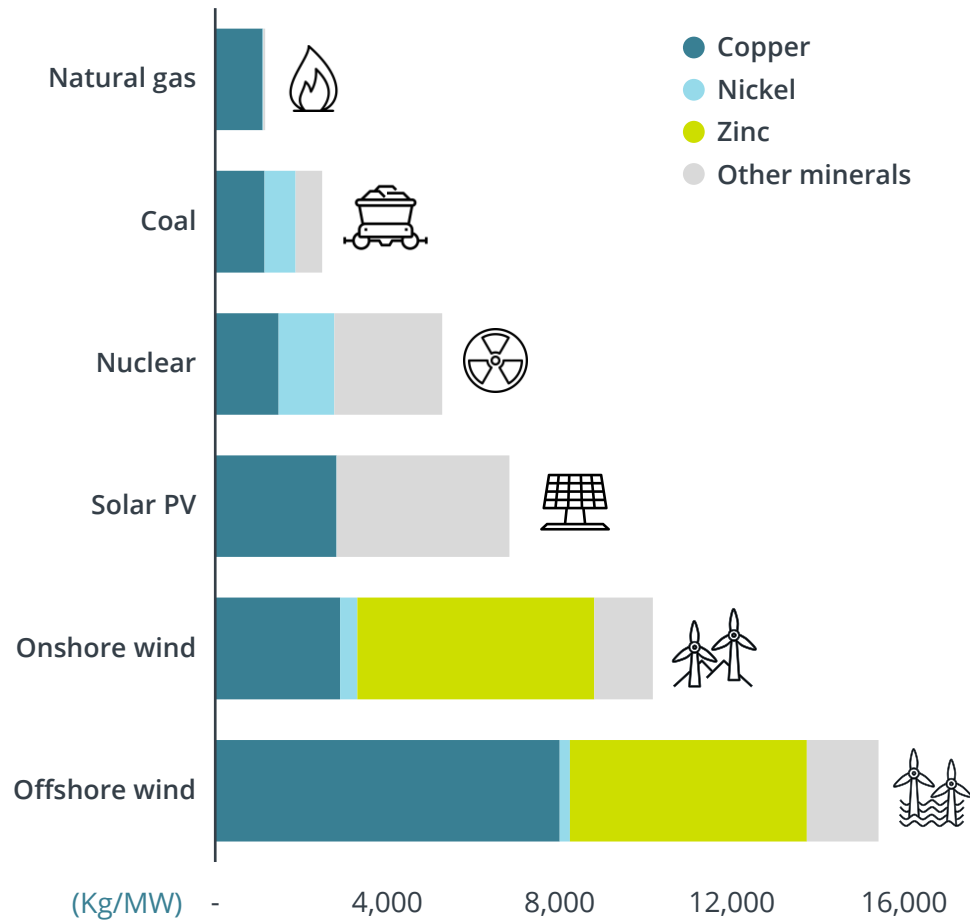
## Early Stage

	West Musgrave Nickel & Copper	Santo Domingo Copper & Cobalt	Piauí Nickel & Cobalt	Incoa Calcium Carbonate	Nifty Copper	Salamanca Uranium	Pilbara Iron Ore	Cañariaco Copper & Gold	Ring of Fire Chromite
Asset / Commodity <sup>(1)</sup>	West Musgrave Nickel & Copper	Santo Domingo Copper & Cobalt	Piauí Nickel & Cobalt	Incoa Calcium Carbonate	Nifty Copper	Salamanca Uranium	Pilbara Iron Ore	Cañariaco Copper & Gold	Ring of Fire Chromite
Operator									
Royalty / stream <sup>(1)</sup>	2% NSR	2% NSR	1.25% GRR	~1.23% GRR	1.5% NSR	1% NSR	1.5% GRR	0.5% NSR	1% NSR

1. See endnotes.

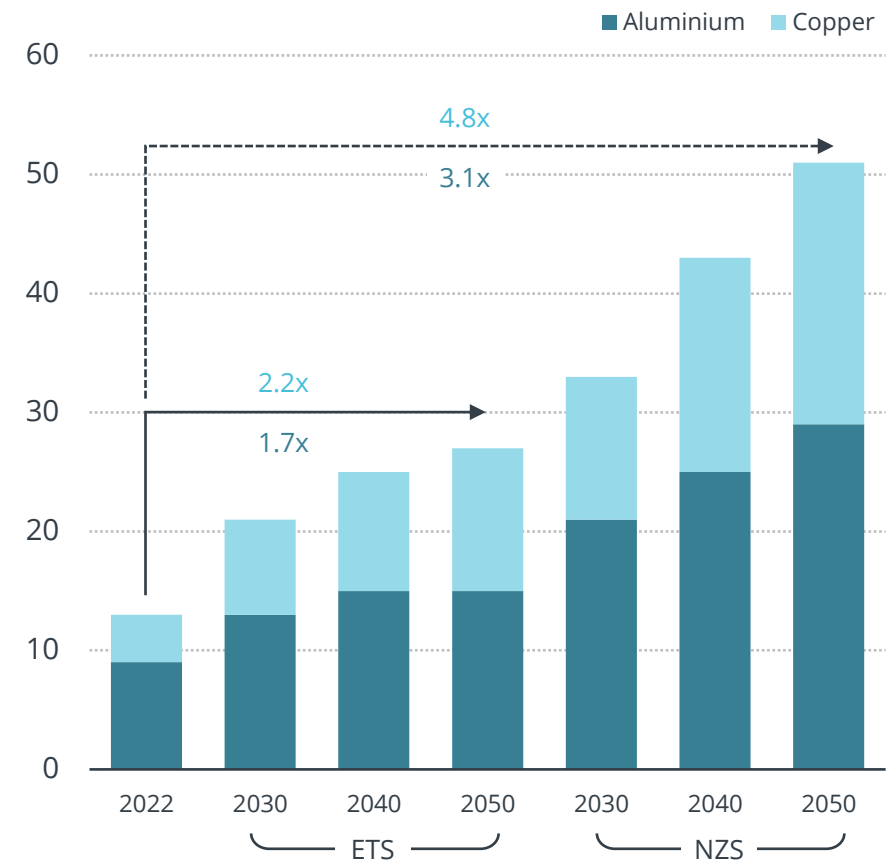
# Renewable power generation dependent on increased supply of future facing commodities

Clean energy is dependent on mineral extraction<sup>(1)</sup>



Commodities produced in a relatively more sustainable way

Annual metals demand from power grid under BNEF's Economic Transition Scenario and Net Zero Scenario

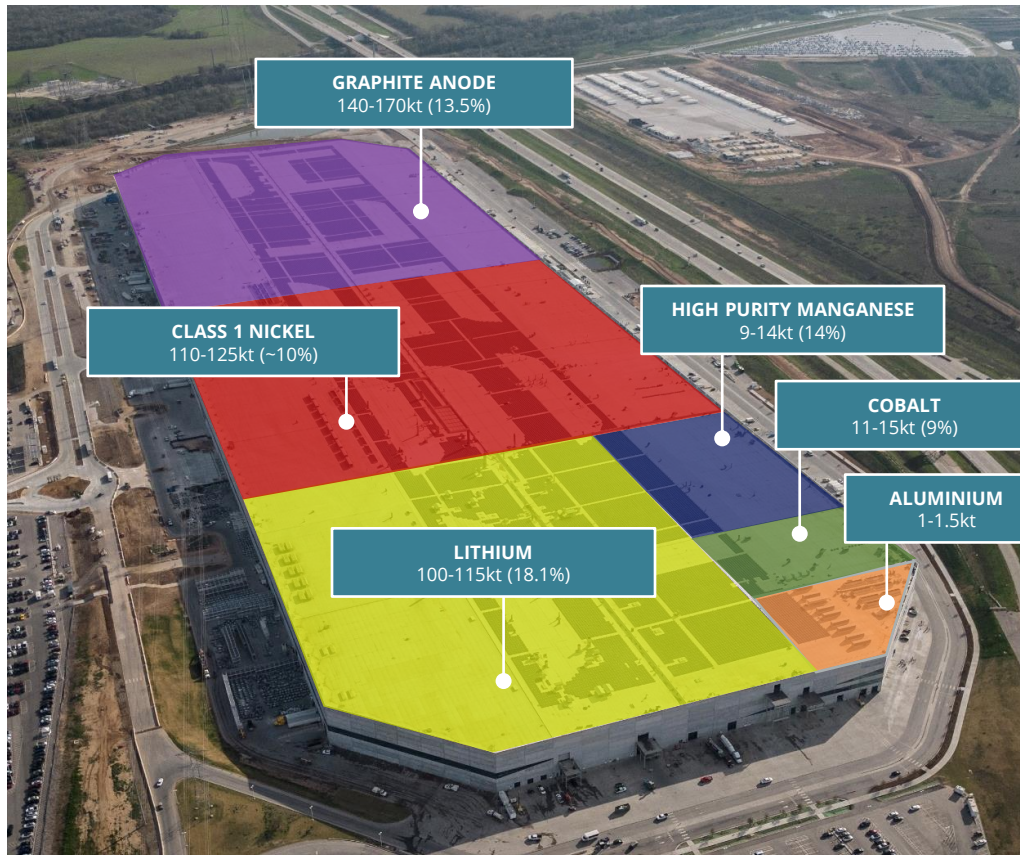


1. IEA.

2. BloombergNEF - ETS is the Economic Transition Scenario and NZS is the Net Zero Scenario.

# Battery storage provides an example

Tesla's 140GWh Gigafactory consumes huge quantities of raw materials<sup>(1)</sup>



- In addition to the above factory, there is over 1,000 GWh of additional capacity planned in Europe and North America alone<sup>(2)</sup>

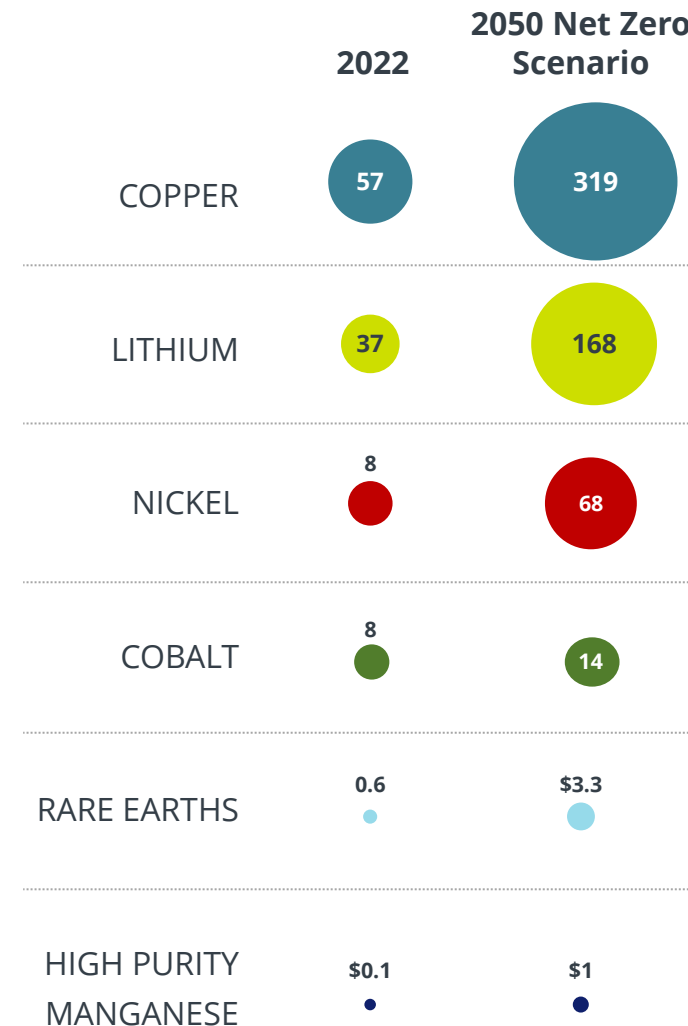
1. Benchmark Minerals.

2. CIC Energi Gune.

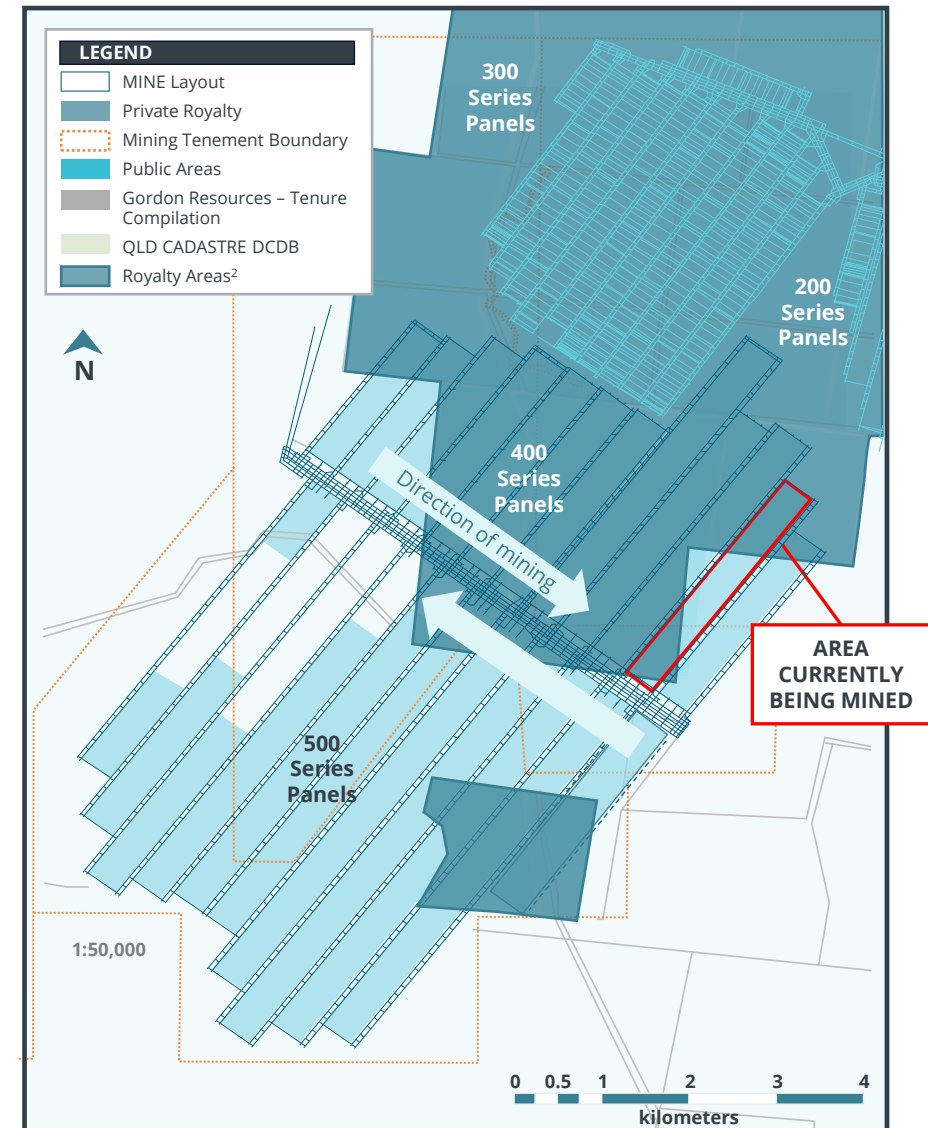
3. BloombergNEF – copper, lithium, nickel, and cobalt 2022 prices adjusted to average for the period. 2050 NZS prices adjusted to long-term analyst consensus of Cu \$8,329/t; Lj Carbonate \$22,212/t; Ni \$19,330/t; Co \$53,500/t.

Value of market for commodities involved in energy transition will grow significantly<sup>(3)</sup>

Annual value in energy transition (\$ billion in 2022 real dollars)



- Record portfolio contribution of \$107m
- Queensland government added new royalty rates at higher coal prices
- Saleable production volumes in 2023 from Group's private royalty area expected to be around 50% of 2022 volumes
- Volumes in 2023 expected to be heavily weighted to Q1 and Q4
- Strong steel making coal pricing in Q1 2023 (average ~\$335/t)

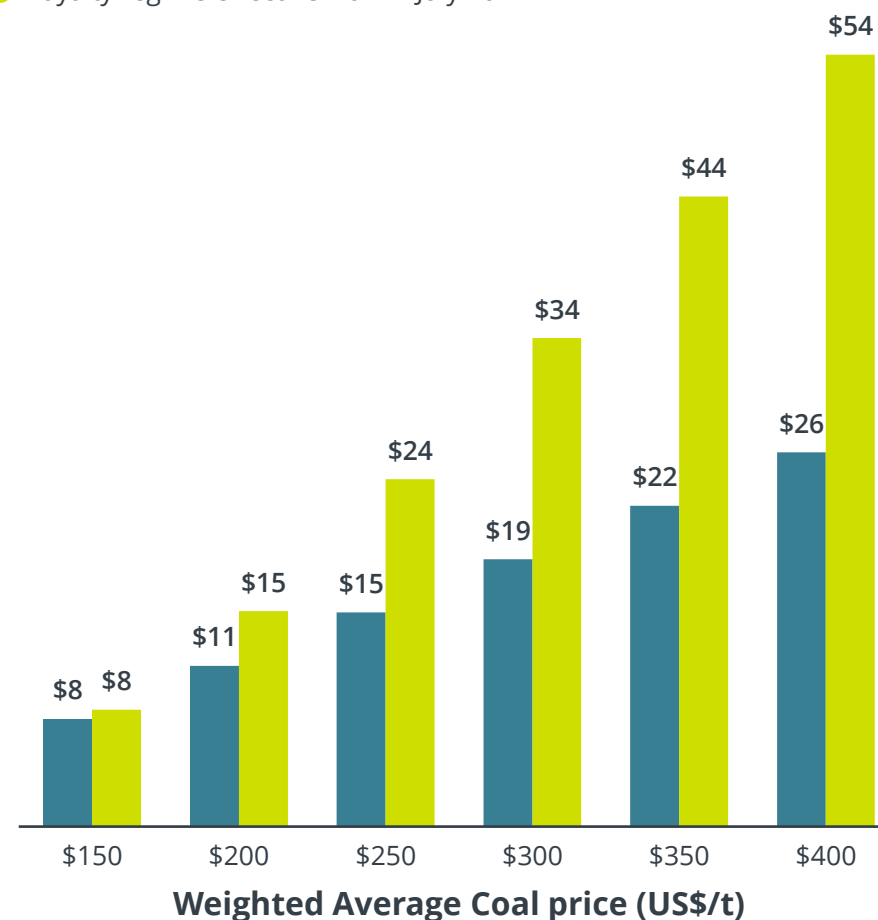


## Queensland royalty rate <sup>(1)</sup>

Coal Price (A\$ per tonne)	Previous royalty rate	Revised royalty rate (from 1 July 2022)
<\$100	7%	7%
>\$100 and up to \$150	12.5%	12.5%
>\$150 and up to \$175	15%	15%
>\$175 and up to \$225	15%	20%
>\$225 and up to \$300	15%	30%
>\$300	15%	40%

## Illustrative royalty uplift (per tonne basis) <sup>(2)</sup>

- Previous royalty regime
- Royalty regime effective from 1 July 2022



1. See Ecora press release titled "Significant Increase to Coal Royalty Rate in Queensland, Australia" dated 21 June 2022.  
 2. Ecora owns an effective 50% right to a coal royalty on coal produced within the royalty area at the Kestrel mine. Scenarios shown on a US\$/t basis, using an AUD:USD exchange rate of 0.71.

## Mantos Blancos

Stage	Producing
Location	Chile
Operator	Capstone Copper
Royalty rate	1.525% NSR
FY2022	\$6.0m portfolio contribution

### Overview:

Ecora acquired the net smelter return royalty over Mantos Blancos in 2019 for \$50.3m, and has since returned \$17m inclusive of the contribution in 2022. Capstone Copper is the product of the merger between Mantos Copper and Capstone Mining which completed in March 2022. The combination creates a pure-play Chilean copper producer of significant scale.

The Mantos Blancos mine produced 41.2kt of payable copper during 2022 (FY2021 45.0kt). Capstone Copper have guided 2023 copper production between 55 – 63kt, and a remaining life-of-mine of over 17 years.<sup>(1)</sup>

### Key growth areas:

- Concentrator debottlenecking project **completed ramp up** to commercial production in December 2022
- Mantos Blancos Phase II has the potential to **increase throughput** further to 10mtpa using existing, underutilised equipment. A feasibility study due to be released in **H2 2023**, and environmental application submitted in August 2022
- Additional exploration below the current pit shell offers the potential for life of mine extension

## Santo Domingo

Stage	Development - fully permitted
Location	Chile
Operator	Capstone Copper
Royalty rate	2.0% NSR
FY2022	n/a

### Overview:

Acquired as part of the portfolio of royalties from South32 in July 2022, Santo Domingo is a high-quality copper-iron project with all permits and licences in place.

Located only 35km from the Mantoverde mine, the combined potential of the two deposits was integral in the decision to merge and create Capstone Copper. An integration study highlighting district synergies was completed in November 2022.

Santo Domingo is forecast to produce 118ktpa of copper over the first 5 years of production (within Ecora's royalty area). The project has an 18+ year life of mine, and is to source water via a desalination plant.

### Key growth areas:

- Findings from the district synergies study will be integrated into an **updated feasibility study in H2 2023**
- Feasibility study assessing **copper oxides** is forecast to be released in 2024
- Evaluation of two cobalt processing routes, via a roaster (feasibility study, 2024) and via heap leach-IX (PEA, 2024)

1. Capstone Copper 2023 guidance as disclosed in March 2023 corporate presentation.



## Nifty

Stage	Restart
Location	Australia
Operator	Cyprium Metals
Royalty rate	2.0% NSR ( <i>payable upon production threshold</i> )
FY2022	n/a

### Overview:

Nifty has a long history of production from 1993 to 2019 when it was placed on care and maintenance. It commenced as an open pit, oxide operation before transitioning to an underground sulphide operation producing a clean copper concentrate.

Cyprium intend to restart operations, targeting oxide material from the open pit in phase 1 (6yr LoM), before continuing into the sulphide portion of the orebody in phase 2 (20+ year LoM). Extensive site refurbishment has been undertaken whilst a financing restart package is secured.

Ecora's royalty is payable once a cumulative 800kt of copper has been produced on site. Total cumulative production to date totals ~715kt.

### Key growth areas:

- Nifty restart financing package ongoing
- Company guidance restart production in **2024**
- Only one restart permit outstanding (State Agreement, Department of JTSI), which can only be lodged once financing in place

## Carlota

Stage	Producing
Location	USA
Operator	KGHM Polska Miedz
Royalty rate	5.0% NSR
FY2022	\$0.2m portfolio contribution

Ecora received \$0.2m in portfolio contribution in 2022, having acquired the royalty in July 2022. Ecora anticipates copper production continuing to decline before production ceases in late 2024/2025.

## Cañariaco

Stage	Development
Location	Peru
Operator	Candente Copper Ltd
Royalty rate	0.5% NSR

Ecora acquired a 0.5% NSR for \$1m on one of the largest development stage assets in South America. PEA released in 2022 which identified an initial 28 year LoM as well as several upside opportunities.

Candente's leading shareholder Fortescue Metals (25%) invested a further \$4m in February 2023 to progress drill targets and advance community engagement.

Drill targets seek to expand the current resource and optimise the PEA.

## West Musgrave

Stage	Construction
Location	Australia
Operator	OZ Minerals
Royalty rate	2.0% NSR

### Overview:

West Musgrave is a nickel and copper greenfield project of significant size located in Western Australia. A final investment decision was approved in September 2022 and construction has since begun. First concentrate production guidance from OZ Minerals is ~H2 2025, with an initial 24 year LoM.

A Mixed Hydroxide Precipitate (MHP) study released in November 2022 highlighted the potential for further processing of nickel concentrate to create a product to serve the growing battery market. Strong interest has been shown in securing MHP offtake due to the strong sustainability credentials of the site.

During 2022, BHP have also had an offer accepted to acquire 100% of OZ Minerals – completion process is ongoing.

### Key growth areas:

- Life of Province opportunities study which includes the **Succoth** deposit on track for H1 2023
- Decision to progress MHP study to feasibility
- **Regional exploration** with work planned for 2023 centred on high-value massive sulphides

## Piauí

Stage	Development – pilot plant operating
Location	Brazil
Operator	Brazilian Nickel
Royalty rate	1.25% GRR (option to increase to 4.25% GRR)

### Overview:

Ecora was an early-stage sponsor of the Piauí project, investing \$2m in September 2017, in return for a 1.25% royalty on the project.

The Group has the right to invest a further \$70m for an incremental 3% royalty to part fund the construction of the full-scale plant, which would have an expected annual production capacity of up to 24kt of nickel and 1kt of cobalt.

The PNP1000 pilot plant entered production in June 2022, and feasibility study with regards to the full-scale project completed in Q3 2022. Brazilian Nickel have joined the pilot Nickel Mark programme which is based on the Copper Mark framework – the initiative demonstrates the high environmental credentials of the project.

### Key growth areas:

- Continued operation of the PNP1000 pilot plant & integration of subsequent results
- Brazilian Nickel have engaged advisors to lead the **full-scale financing process**
- Ecora option to participate in full-scale financing for an incremental 3% royalty

## Denison / McClean Lake mill

Stage	Producing
Location	Canada
Operator	Orano
Royalty rate	22.5% of toll milling revenue
FY2022	\$5m toll milling receipts

### Overview:

The McClean Lake mill processes all ore produced from the nearby Cigar Lake uranium mine, operated by Cameco. A toll rate is paid for use of the mill, of which Denison is entitled to 22.5%.

\$5m in capital and interest payments were received during 2022 (2021 \$3.1m) on throughput of 18Mlbs.

Denison's agreement with Ecora is structured as a C\$40.8m loan bearing an interest rate of 10% per annum. Interest payments are payable from cash flows received from McClean Lakes toll milling revenue, with principal repaid in any period where toll milling revenue exceeds interest. Interest is capitalised in any period when toll milling revenues are less than the interest payable.

In addition to the loan, Ecora also agreed to purchase the entire share of Denison's toll receipts received from Cigar Lake for C\$2.7m. This allows for potential mine life extension at Cigar Lake.

### Key growth areas:

- Previous guidance of 25% reduction in operating capacity in 2024 has been **reversed** by Cameco – no impact to forecast volumes expected

## Four Mile

Stage	Producing
Location	Australia
Operator	Quasar Resources
Royalty rate	1.0% NSR
FY2022	\$1m portfolio contribution

The Group has a 1% life of mine NSR royalty on the Four Mile uranium mine in South Australia. Four Mile is operated by Quasar Resources Pty Ltd ('Quasar'). Royalty revenue from Four Mile totaled \$1.0m (2021: \$0.3m).

## Salamanca

Stage	Development
Location	Spain
Operator	Berkeley Energia
Royalty rate	1.0% NSR

Berkeley Energia continues to focus on progressing the approvals required to commence construction of the Salamanca mine.

Throughout 2022, a study on the potential for solar power at the site has been initiated, as well as exploration drilling targeting lithium & tin within the existing tenement package.

## Maracás Menchen - Vanadium

Stage	Producing
Location	Brazil
Operator	Largo Resources
Royalty rate	2.0% NSR
FY2022	\$3.6m portfolio contribution

### Overview:

Ecora owns a 2.0% NSR on all products extracted from the Maracás Menchen mine located in the state of Bahia, Brazil. Portfolio contribution for 2022 totaled \$3.6m (2021 \$3.4m) reflecting lower forecast volumes and a weakening of the vanadium price environment.

Vanadium pentoxide production over the course of the year totalled 10.3kt, 6% below revised guidance issued in H1 2022. Production was impacted by heavy rainfall in the final quarter and plant maintenance. Largo anticipates a 10% increase in production for 2023 over 2022 levels.

Largo expects to see increased sales of high purity, premium vanadium products in 2023, with ~30 – 40% of production serving the sector.

### Key growth areas:

- Return to normalised production levels, **+10%** on 2022 production
- Completion of **ilmenite** concentration plant
- Growing demand in the vanadium redox flow battery sector

## LIORC – Iron Ore

Stage	Producing
Location	Canada
Operator	Rio Tinto
Royalty rate	7.0% GRR ( <i>indirect</i> )
FY2022	\$2.9m portfolio contribution

Ecora currently owns 1.03m shares in Labrador Iron Ore Royalty Corp, which holds a 7.0% GRR over Rio Tinto's IOC complex. 2022 portfolio contribution of \$2.9m was down on 2021 (\$5.6m) due to lower iron ore price environment and lower premiums for pellets.

## EVBC – Gold / Copper

Stage	Producing
Location	Spain
Operator	Orvana Minerals
Royalty rate	2.5 – 3.0% NSR
FY2022	\$2.8m portfolio contribution

The EVBC royalty contributed \$2.8m in 2022, fractionally down on the 2021 figure of \$3.2m. Looking forward, production guidance for 2023 of 46Koz to 51Koz of gold and 4.0 to 4.4Mlbs of copper is broadly flat on 2022. Ecora is in discussion with the operator of the EVBC royalty following recent margin pressure and it is likely that in the short term a portion of cash royalties, including H2 22, will be deferred.

## Incoa – Calcium Carbonate

Stage	Development
Location	Dominican Republic & USA
Operator	Incoa Performance Minerals
Royalty rate	~1.23% GRR

### Overview:

Ecora entered into a \$20m financing agreement with Incoa Performance Minerals LLC in 2020 to fund the construction of Incoa’s calcium carbonate mine and associated infrastructure in the Dominican Republic as well as a processing facility located in the United States.

The Group’s commitment is subject to a number of conditions, including Incoa’s successful construction and operation of the project. Following funding, Ecora will be entitled to ~1.23% of gross revenue from the project.

Initial mining has commenced and ramp up continues.

### Key growth areas:

- Ramp up and **debottlenecking of process plant**
- Ecora funding option subject to a number of CPs which have not yet been met

## Ring of Fire - Chromite

Stage	Development
Location	Canada
Operator	Wyloo Metals
Royalty rate	1.0% NSR

Ecora has a 1.0% life of mine royalty over a number of claims on the Black Thor, Black Label and Big Daddy chromite deposits in Canada. Noront Resources Limited (the previous operator), was acquired by Wyloo Metals Pty Ltd in April 2022.

The Eagle’s Nest nickel project is expected to be the initial focus for Wyloo, with the chromite deposits being developed subsequently.

## Pilbara – Iron Ore

Stage	Development
Location	Australia
Operator	BHP
Royalty rate	1.5% GRR

Ecora own a 1.5% GRR over three exploration tenements owned by BHP. BHP’s Mining Area C lies immediately to the east of the Railway deposit – a known iron ore occurrence within the 263km<sup>2</sup> tenement package.

We do not anticipate tangible progress on the tenements until ~2040.

## Top Shareholders (as at 1 January 2023) <sup>(1)</sup>

South32	16.9%
Aberforth Partners	7.9%
Schroder Investment Management	7.6%
Canaccord Genuity Wealth Management	5.3%
Hargreaves Lansdown	4.3%

## Shareholders Information (as at 1 January 2023)

Issued share capital	257,856,157
Market cap	~£300 million
Tickers	LSE: ECOR, TSX: ECOR, OTCQX: ECRAF

## Analyst coverage

Bank of America (London)		Cameron Needham
Berenberg (London)		Richard Hatch
Peel Hunt (London)		Tim Huff
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<sup>1.</sup> As per Company share register analysis.

## *Third party information*

As a royalty and streaming Company, the Group often has limited, if any, access to non-public scientific and technical information in respect of the properties underlying its portfolio of royalties, or such information is subject to confidentiality provisions. As such, in preparing this announcement, the Group has largely relied upon the public disclosures of the owners and operators of the properties underlying its portfolio of royalties investments, as available at the date of this announcement. Accordingly, no representation or warranty, express or implied, is made and no reliance should be placed, on the fairness, accuracy, correctness, completeness or reliability of that data, and such data involves risks and uncertainties and is subject to change based on various factors.

- i. Voisey's Bay stream entitlement of 22.82% of cobalt production until 7.6kt of finished cobalt is delivered, 11.41% thereafter; represents 70% share of the original stream agreement between Vale and Cobalt27. Fixed Cobalt payability of 93.3%. Ongoing payment of 18% of cobalt reference prices until upfront amount of US\$300m based on 100% of the original stream agreement between Vale and Cobalt27 is repaid, 22% thereafter.
- ii. This presentation contains information and statements relating to the Kestrel mine that are based on certain estimates and forecasts that have been provided to the Group by Kestrel Coal Pty Ltd ("KCPL"), the accuracy of which KCPL does not warrant and on which readers may not rely. Kestrel royalty terms (Ecora entitlement): 7.0% of value up to A\$100/t, 12.50% between A\$100/t and A\$150/t, 15% between A\$150/t and A\$175/t, 20% between A\$175/t and \$225/t, 30% between A\$225/t and A\$300/t, 40% thereafter.
- iii. Labrador Iron Ore Corporation ("LIORC") Royalty Corp. (LIORC) is listed on the Toronto stock exchange (TSX:LIF). IOC is operated by Rio Tinto and LIORC receives a 7% gross overriding royalty and a C\$0.10 per tonne commission on all iron ore products produced, sold and shipped by IOC.
- iv. This presentation contains information and statements relating to the Mantos Blancos mine and Santo Domingo project that are based on certain estimates and forecasts that have been provided to the Group by Capstone Copper ("Capstone"), the accuracy of which Capstone does not warrant and on which readers may not rely. Royalty area attributable to Ecora on the Santo Domingo project covers production in first 6-7 years before returning in ~Y14.
- v. Largo Resources Limited ("Largo"), the owner of the Maracás Menchen project, is listed on the Toronto Stock Exchange and reports in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and the NI 43-101 standards.
- vi. Brazilian Nickel Piauí project – Ecora has the right to acquire an incremental 3% GRR for US\$70m to part fund construction to increase capacity to 24,000t nickel & 1,000t cobalt per annum.
- vii. Cameco Corporation ("Cameco"), the majority owner of the Cigar Lake project ("Cigar Lake"), is listed on the Toronto Stock Exchange and reports in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and the NI 43-101 standards. Ecora loan of C\$40.8m to Denison to be repaid from the revenues which Denison receives through their entitlement to toll revenue generated through their part ownership of the McClean Lake Uranium Mill (operated by AREVA).
- viii. Orvana Minerals Corp, the owner of the El Valle-Boinás / Carlés project ("EVBC"), is listed on the Toronto Stock Exchange and reports in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and the NI 43-101 standards. Royalty terms: 2.5% NSR royalty escalating to 3% for gold prices in excess of US\$1,100 per ounce.
- ix. This presentation contains information and statements relating to the Incoa Calcium Carbonate Project that are based on certain estimates and forecasts that have been provided to the Group by Incoa Performance Minerals LLC ("Incoa"), the accuracy of which Incoa does not warrant and on which readers may not rely. Under the terms of the Incoa financing, Ecora Resources is entitled to approximately 1.23% of gross revenue generated from the sale of ground calcium carbonate products. Ecora Resources' funding commitment is conditional upon the satisfaction of certain conditions precedent.
- x. Cyprium Metals Limited ("Cyprium"), the owner of the Nifty project is listed on the Australian Stock Exchange. Royalty payable to Ecora once 800kt Copper has been delivered. ~715kt delivered to date.
- xi. Candente Copper Corp ("Candente"), the owner of the Cañariaco project, is listed on the Toronto Stock Exchange and reports in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and the NI 43-101 standards. Entrée Resources Ltd. entitled to 20% of any royalty income prior to 31 December 2029, 15% of income received between 1 January 2030 and 31 December 2035, and 10% of any income received between 1 January 2035 and 31 December 2040.