

Altius Minerals Corporation

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Royalty Round up, October 2020 - Market Downtrend takes its toll

October proved to be a difficult month for mining royalty and streaming businesses, with companies trading down across the board. The average share price of a mining royalty and streaming business was down by 5.4% during October and down 9.1% on three months.

The fall in the gold price from a high of US\$2,063.2/oz in August to its current level of US\$1,900/oz, combined with downtrends in all major global markets, has collectively weighed down on the mining royalty market.

Despite these difficult market conditions some companies managed to buck the trend with strong share price performances; Altius Minerals Corporation (TSE:ALS) was up 8.5% on the month (?5.3% 3-months) and Electric Royalties Ltd (CVE:ELEC) was up 4.3% on the month (?12.5% 3-months).

Royal Gold, Inc. (NASDAQ:RGLD) (?0.9% 1-month & ?13.5% 3-months), Elemental Royalties Corp. (OTCMKTS:ELEMF) (?0.7% 1-month & ?20.6% 3-months), and EMX Royalty Corporation (CVE:EMX) (?0.7% 1-month & ?10.6% 3-months), also all managed to finish in positive territory. Debutant, Nova Royalty (CVE:NOVR) was up 0.8% in its first full month of trading.

Despite remaining flat this month, Trident Royalty PLC (LON:TRR) (?11.1% 3-months) completed a major milestone, with the closing of the acquisition of the Lake Rebecca Gold Royalty, which Trident believes is on track to support an operation producing around 100,000 ounces of gold per annum.

This month also saw Empress Royalty Corp (private) complete a fully subscribed private placement for C\$8,000,000 at C\$0.25/ share. Empress is a precious metals focused mining royalty and streaming business that has built up a portfolio of 13 gold royalties.

Empress has strategic partnerships with Endeavour Financial in London, Terra Capital in Australia and Accendo Banco in Mexico giving the company access to investment opportunities across the globe, as well as providing mining finance expertise, deal structuring and access to capital markets. Empress is expected to commence trading on the TSX-V shortly, subject to satisfying the exchange that the company meets applicable listing requirements and obtaining exchange approval for the listing.

Nomad Royalty Company Ltd (TSE:NSR) was down substantially on the month and the quarter (?21.0% 1-month & ?18.4% 3-months), despite selling 3,933oz of gold equivalent during the third quarter (Q320) and 13,917oz of gold during the 9-months to-date 2020. Revenue for Q320 totalled US\$7.6mIn and for the first nine months of the year, revenue totalled US\$20mIn.

Vox Royalty Corp (CVE:VOX) was also down on the month (?17.8% 1-month & ?18.8% 3-months) but has just announced it is in the process of acquiring an additional eight royalties in North America from Breakwater Resources

Price: 14.38

Market Cap: \$596.45 m

1 Year Share Price Graph



January 2020 July 2020 January 2021

Share Information

Code: ALS

Listing: TSX

52 week High Low
15.25 6.29

Sector: Mining

Website: www.altiusminerals.com

Company Synopsis:

Altius Altius is focused on the mining and resources sector through prospect generation and the creation and acquisition of royalties and investments. Altius has a strong financial position with total assets of approximately \$300 million, including \$162 million in cash and no debt. It has also built a portfolio of directly and indirectly held junior resource investments, including 32.

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Ltd. Vox is one of the more active royalty companies and will have acquired 45 royalties since the beginning of 2019, once its latest deal closes in Q121.

Next month we will be able to assess the initial market reaction to Wheaton Precious Metals Corp (TSE:WPM) dual listing on the London Stock Exchange and Deterra Royalties Limited (ASX:DRR) initial public offering on the Australian Stock Exchange. With the US presidential elections finished and precious metal prices expected to rise, we could also see an increase in acquisition activity from some of the more active royalty companies

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