



Altius Minerals Corporation

Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

CONDENSED CONSOLIDATED BALANCE SHEETS

Unaudited, In Thousands of Canadian Dollars	Note	As at	
		June 30, 2022	December 31, 2021
ASSETS			
Current assets			
Cash and cash equivalents		\$ 107,403	\$ 100,021
Accounts receivable and prepaid expenses		16,660	12,601
Income tax receivable		3,795	2,268
Loan receivable	5	6,446	-
		\$ 134,304	\$ 114,890
Non-current assets			
Royalty and streaming interests	6	239,554	250,877
Investments	5	174,836	183,725
Interests in joint ventures	4	150,151	152,504
Exploration and evaluation assets		8,807	9,105
Deferred tax assets	7	7,656	7,787
Investment in associates		1,620	1,620
Derivatives - cash flow swap	8	1,744	-
Property and equipment		804	893
		\$ 585,172	\$ 606,511
TOTAL ASSETS		\$ 719,476	\$ 721,401
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		4,166	6,069
Current portion of long-term debt	8	8,000	8,000
Income tax payable		3,702	5,580
		\$ 15,868	\$ 19,649
Non-current liabilities			
Long-term debt	8	114,095	107,173
Other liability		884	851
Deferred tax liabilities	7	34,407	64,738
Derivative - cash flow swap	8	-	11
		\$ 149,386	\$ 172,773
TOTAL LIABILITIES		\$ 165,254	\$ 192,422
EQUITY			
Shareholders' equity		452,944	433,486
Non-controlling interest		101,278	95,493
		\$ 554,222	\$ 528,979
TOTAL LIABILITIES AND EQUITY		\$ 719,476	\$ 721,401

See accompanying notes to the condensed consolidated financial statements

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

Unaudited, In Thousands of Canadian Dollars, except per share amounts		Note	Three months ended		Six months ended	
			June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Revenue and other income	9	\$	27,406	\$ 21,198	\$ 54,493	\$ 38,700
Costs and Expenses						
General and administrative	9		2,343	2,030	4,740	3,932
Cost of sales - copper stream			1,227	1,224	3,100	2,245
Share-based compensation			1,181	993	1,662	1,709
Generative exploration			19	16	83	24
Exploration and evaluation assets abandoned or impaired			29	2,889	29	2,889
Mineral rights and leases			227	241	227	271
Amortization and depletion			6,359	5,603	12,953	10,427
Earnings before the following:		\$	16,021	\$ 8,202	\$ 31,699	\$ 17,203
Earnings (loss) from joint ventures	4		572	(190)	1,201	(323)
Realized gain on disposal of derivatives			32	1,076	32	1,076
Gain on disposal of mineral property			-	1,962	996	1,962
Interest on long-term debt			(1,498)	(1,488)	(2,951)	(3,305)
Foreign exchange (loss) gain			(1,071)	446	(532)	1,075
Dilution gain on issuance of shares by an associate and joint venture			-	15	-	373
Unrealized (loss) gain on fair value adjustment of derivatives			(1,920)	(975)	(2,233)	3,249
Gain on reclassification of an associate			-	7,595	-	7,595
Share of earnings and impairment reversal in associates			-	(165)	-	1,261
Earnings before income taxes		\$	12,136	\$ 16,478	\$ 28,212	\$ 30,166
Income taxes (current and deferred)	7		3,472	1,929	7,013	3,813
Net earnings		\$	8,664	\$ 14,549	\$ 21,199	\$ 26,353
Net earnings attributable to:						
Common shareholders			8,213	15,611	20,301	27,274
Non-controlling interest			451	(1,062)	898	(921)
		\$	8,664	\$ 14,549	\$ 21,199	\$ 26,353
Net earnings per share						
Basic	10	\$	0.18	\$ 0.38	\$ 0.46	\$ 0.66
Diluted	10	\$	0.17	\$ 0.38	\$ 0.44	\$ 0.64

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)

Unaudited, In Thousands of Canadian Dollars	Three months ended				Six months ended			
	Note	June 30, 2022	June 20, 2021	June 30, 2022	June 20, 2021	June 30, 2022	June 20, 2021	
Net earnings		\$ 8,664	\$ 14,549	\$ 21,199	\$ 26,353			
Other comprehensive earnings (loss)								
To be reclassified subsequently to profit or loss								
Foreign currency translation adjustment								
Gross amount		6,425	(3,114)	2,869	(4,505)			
Net amount		\$ 6,425	\$ (3,114)	\$ 2,869	\$ (4,505)			
Net unrealized gain on fair value adjustment of cash flow swap								
Gross amount		674	227	1,833	461			
Tax effect		(135)	(52)	(382)	(106)			
Net amount		\$ 539	\$ 175	\$ 1,451	\$ 355			
To not be reclassified subsequently to profit or loss								
Net unrealized (loss) gain on investments	5							
Gross amount		(60,339)	31,145	(35,111)	42,742			
Tax effect		9,016	(4,666)	5,383	(6,339)			
Net amount		\$ (51,323)	\$ 26,479	\$ (29,728)	\$ 36,403			
Revaluation of investments held in joint venture	4							
Gross amount		15,102	4,204	15,772	11,284			
Tax effect		(4,138)	(1,218)	(4,186)	(3,246)			
Net amount		\$ 10,964	\$ 2,986	\$ 11,586	\$ 8,038			
Realized gain on investments	5	13	\$ 660	229	4,575			
Tax effect		(137)	(99)	(146)	(686)			
Net amount		\$ (124)	\$ 561	\$ 83	\$ 3,889			
Other comprehensive earnings (loss)		\$ (33,519)	\$ 27,087	\$ (13,739)	\$ 44,180			
Total comprehensive earnings (loss)		\$ (24,855)	\$ 41,636	\$ 7,460	\$ 70,533			
Total comprehensive earnings (loss) attributable to:								
Common shareholders		(29,816)	41,476	1,797	68,366			
Non-controlling interest		4,961	160	5,663	2,167			
		\$ (24,855)	\$ 41,636	\$ 7,460	\$ 70,533			

See accompanying notes to the condensed consolidated financial statements

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited, In Thousands of Canadian Dollars	Note	Six months ended	
		June 30, 2022	June 30, 2021
Operating activities			
Net earnings		\$ 21,199	\$ 26,353
Adjustments for operating activities	11	13,892	(8,962)
Changes in non-cash operating working capital			
	11	(5,167)	(3,519)
		\$ 29,924	\$ 13,872
Financing activities			
Repayment of long-term debt	8	(4,000)	(10,000)
Proceeds from long-term debt	8	10,000	-
Lease payments		(84)	(84)
Proceeds from exercise of warrants		-	5,600
Proceeds from IPO of subsidiary (net of issuance costs of \$8,802)		-	98,932
Cash settled stock options		(2,031)	-
Payments to non-controlling interest	13	(1,226)	(762)
Preferred securities distributions	10	(3,346)	(2,479)
Repurchase of common shares	10	(2,096)	(7,424)
Dividends paid		(5,894)	(3,840)
		\$ (8,677)	\$ 79,943
Investing activities			
Proceeds from sale of investments		1,540	10,131
Cash received from joint ventures	4	27,546	768
Generative exploration		(83)	(24)
Exploration and evaluation assets, net of recoveries		(111)	(561)
Investment in joint venture	4	(6,439)	-
Loan receivable		(6,422)	-
Acquisition of royalty interests	6	(1,529)	(452)
Acquisition of investments	5	(28,355)	(9,599)
Acquisition of property and equipment		(12)	(5)
		\$ (13,865)	\$ 258
Net increase in cash and cash equivalents			
Cash and cash equivalents, beginning of period		100,021	21,804
Cash and cash equivalents, end of period		\$ 107,403	\$ 115,877

Supplemental cash flow information (Note 11)

See accompanying notes to the condensed consolidated financial statements

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

In Thousands of Canadian Dollars	Common Shares		Preferred Securities		Other Equity	Accumulated	Retained	Total	Non-	Total Equity
	Number	Amount	Number	Amount	Reserves (Note 10)	Other Comprehensive Earnings	Earnings (Deficit)	Shareholders' Equity	controlling interest	
Balance, December 31, 2020	41,477,653	\$ 259,302	10,000,000	\$ 57,061	\$ 24,627	\$ 53,782	\$ (31,895)	\$ 362,877	\$ 20,948	\$ 383,825
Net earnings and comprehensive earnings, January 1 to June 30, 2021	-	-	-	-	-	41,092	27,274	68,366	2,167	70,533
Payments to non-controlling interest	-	-	-	-	-	-	-	-	(762)	(762)
Transactions with non-controlling interests	-	-	-	-	-	-	29,908	29,908	69,501	99,409
Proceeds from exercise of warrants	400,000	5,600	-	-	-	-	-	5,600	-	5,600
Shares repurchased and cancelled	(477,400)	(2,985)	-	-	-	-	(4,439)	(7,424)	-	(7,424)
Preferred securities distribution	-	-	-	-	-	-	(2,479)	(2,479)	-	(2,479)
Dividends paid to common shareholders	-	-	-	-	-	-	(4,147)	(4,147)	-	(4,147)
Shares issued under dividend reinvestment plan	19,945	307	-	-	-	-	-	307	-	307
Share-based compensation	-	-	-	-	1,709	-	-	1,709	-	1,709
Shares issued under long-term incentive plan	65,043	314	-	-	(1,062)	-	-	(748)	-	(748)
Balance, June 30, 2021	41,485,241	262,538	10,000,000	57,061	25,274	94,874	14,222	453,969	91,854	545,823
Net earnings and comprehensive earnings, June 1 to December 31, 2021	-	-	-	-	-	(17,903)	12,748	(5,155)	2,870	(2,285)
Payments to non-controlling interest	-	-	-	-	-	-	-	-	(640)	(640)
Transactions with non-controlling interests	-	-	-	-	-	-	(2,659)	(2,659)	746	(1,913)
Shares repurchased and cancelled	(343,700)	(2,175)	-	-	-	-	(3,344)	(5,519)	-	(5,519)
Shares issued under services agreement	-	-	-	-	-	-	-	-	663	663
Preferred securities distribution	-	-	-	-	-	-	(2,521)	(2,521)	-	(2,521)
Dividends paid to common shareholders	-	-	-	-	-	-	(5,800)	(5,800)	-	(5,800)
Shares issued under dividend reinvestment plan	24,698	393	-	-	-	-	-	393	-	393
Share-based compensation	-	-	-	-	1,309	-	-	1,309	-	1,309
Cash settled RSUs	-	-	-	-	(213)	-	-	(213)	-	(213)
Shares issued under long-term incentive plan	19,356	37	-	-	(355)	-	-	(318)	-	(318)
Balance, December 31, 2021	41,185,595	\$ 260,793	10,000,000	\$ 57,061	\$ 26,015	\$ 76,971	\$ 12,646	\$ 433,486	\$ 95,493	\$ 528,979
Net earnings and comprehensive earnings, January 1 to June 30, 2022	-	-	-	-	-	(18,504)	20,301	1,797	5,663	7,460
Payments to non-controlling interest (Note 13)	-	-	-	-	-	-	-	-	(1,226)	(1,226)
Transactions with non-controlling interests	-	-	-	-	-	-	(1,396)	(1,396)	1,348	(48)
Shares repurchased and cancelled (Note 10)	(110,000)	(697)	-	-	-	-	(1,399)	(2,096)	-	(2,096)
Preferred securities distribution (Note 10)	-	-	-	-	(1,150)	-	(1,410)	(2,560)	-	(2,560)
Preferred securities redemption (Note 10)	-	87,061	(10,000,000)	(57,061)	-	-	-	30,000	-	30,000
Warrants exercised (Note 10)	6,670,000	12,012	-	-	(12,012)	-	-	-	-	-
Dividends paid to common shareholders	-	-	-	-	-	-	(6,228)	(6,228)	-	(6,228)
Shares issued under dividend reinvestment plan	15,755	334	-	-	-	-	-	334	-	334
Share-based compensation	-	-	-	-	1,662	-	-	1,662	-	1,662
Cash settled stock options	-	-	-	-	(2,031)	-	-	(2,031)	-	(2,031)
Shares issued under long-term incentive plan	3,238	6	-	-	(30)	-	-	(24)	-	(24)
Balance, June 30, 2022	47,764,588	\$ 359,509	-	\$ -	\$ 12,454	\$ 58,467	\$ 22,514	\$ 452,944	\$ 101,278	\$ 554,222

See accompanying notes to the condensed consolidated financial statements

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

Altius Minerals Corporation (“Altius” or the “Corporation”) manages its business under three operating segments, consisting of (i) the acquisition and management of producing and development stage royalty and streaming interests (“Mineral Royalties”), (ii) the acquisition and early stage exploration of mineral resource properties with a goal of vending the properties to third parties in exchange for early stage royalties and minority equity or project interests (“Project Generation”) and (iii) its majority interest holding in publicly traded Altius Renewable Royalties Corp. (TSX: ARR) (“ARR”), which is focused on the acquisition and management of renewable energy investments and royalties (“Renewable Royalties”).

The Corporation’s diversified mineral royalties and streams generate revenue from 12 operating mines located in Canada (10), the United States (1), and Brazil (1) that produce copper, zinc, nickel, cobalt, potash, iron ore and thermal (electrical) coal. The Corporation further holds a diversified portfolio of pre-production stage royalties and junior equity positions that it mainly originates through mineral exploration initiatives within a business division referred to as Project Generation. The Corporation holds a 59% interest in ARR, which through a jointly controlled entity, Great Bay Renewables LLC (“GBR”), holds royalties related to renewable energy generation projects located primarily in the United States. Certain funds managed by affiliates of Apollo Global Management, Inc. (the “Apollo Funds”) represent the other party to the joint venture.

Altius is a publicly traded company, incorporated and domiciled in Canada. The head office of the Corporation is located at 2nd Floor, 38 Duffy Place, St. John’s, Newfoundland and Labrador A1B 4M5. Its registered office is located at 4300 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

These condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on August 8, 2022.

2. BASIS OF PRESENTATION

These condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard 34 Interim Financial Reporting (IAS 34) as issued by the International Accounting Standards Board (IASB).

These condensed consolidated financial statements have been prepared on an historical cost basis, except for derivative assets and liabilities, and financial assets classified at fair value through profit or loss or investments which are measured at fair value through other comprehensive income. All amounts are expressed in Canadian dollars, unless otherwise stated. Tabular amounts are presented in thousands of Canadian dollars with the exception of per share amounts.

3. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

These condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements of the Corporation as at and for the year ended December 31, 2021. The Corporation has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The condensed consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2021.

4. INTERESTS IN JOINT VENTURES

In Thousands of Canadian Dollars	LNRLP ⁽¹⁾		GBR	Total
Balance, December 31, 2020	\$	5,146	\$ 90,758	95,904
Earnings (loss)		1,543	(1,923)	(380)
Investment in joint venture		-	35,261	35,261
Cash receipts		(1,646)	-	(1,646)
Other comprehensive earnings - revaluation of investments		-	22,822	22,822
Other comprehensive earnings - foreign currency translation adjustment		-	(37)	(37)
Dilution gain		-	580	580
Balance, December 31, 2021	\$	5,043	\$ 147,461	\$ 152,504
Earnings		702	499	1,201
Investment in joint venture		-	6,439	6,439
Cash receipts		(900)	(26,646)	(27,546)
Other comprehensive earnings - revaluation of investments		-	15,643	15,643
Other comprehensive earnings - foreign currency translation adjustment		-	1,910	1,910
Balance, June 30, 2022	\$	4,845	\$ 145,306	\$ 150,151

(1) Labrador Nickel Royalty Limited Partnership ("LNRLP")

See Note 14 for fair value qualitative and quantitative analysis relating to the investments held in the GBR joint venture.

5. INVESTMENTS

In Thousands of Canadian Dollars	Mining and other investments		Share purchase warrants		Total
Balance, December 31, 2020	\$	140,508	\$	4,513	\$ 145,021
Additions		19,932		4,686	24,618
Reclassification to investments in traded securities		4,922		(4,922)	-
Receipt for interest in mineral property		5,236		-	5,236
Reclassification of investment in associate		17,578		-	17,578
Disposals		(13,521)		(268)	(13,789)
Revaluation		5,226		(165)	5,061
Balance, December 31, 2021	\$	179,881	\$	3,844	\$ 183,725
Additions		28,355		32	28,387
Reclassification to investments in traded securities		(334)		334	-
Receipt for interest in mineral property		1,378		-	1,378
Disposals		(1,310)		-	(1,310)
Revaluation		(35,111)		(2,233)	(37,344)
Balance, June 30, 2022	\$	172,859	\$	1,977	\$ 174,836

As at June 30, 2022, investments include an investment in Labrador Iron Ore Royalty Corporation ("LIORC") of \$90,431,000 (December 31, 2021 - \$107,854,000) consisting of 3,189,800 (December 31, 2021 - 2,873,800) common shares.

On June 7, 2022 the Corporation funded a US\$10,000,000 (CAD\$12,573,000) investment in the form of common shares in Invert Inc. ("Invert"), a carbon streaming and investment company making investments into carbon credit projects and building a platform to place the credits to corporate and individual participants to reach their decarbonization objectives. During the six months ended June 30, 2022 the Corporation also invested in a secured convertible loan receivable of US\$5,000,000 (CAD\$6,422,000) in Invert which followed the original equity investment of US\$500,000 (CAD\$639,000) funded in 2021.

6. ROYALTY AND STREAMING INTERESTS

In Thousands of Canadian Dollars	As at December 31, 2021		Additions and revaluations		As at June 30, 2022	
Royalty interests						
Rocanville - Potash	\$	73,595	\$	-	\$	73,595
Esterhazy - Potash		33,659		-		33,659
Cory - Potash		19,427		-		19,427
Allan - Potash		6,367		-		6,367
Patience Lake - Potash		3,903		-		3,903
Vanscoy - Potash		5,238		-		5,238
Other potash		7,000		-		7,000
Coal & natural gas		8,000		-		8,000
Genesee - Coal		34,438		-		34,438
777 Mine - Copper & zinc		47,356		-		47,356
Gunnison - Copper		10,300		-		10,300
Picket Mountain		7,606		1,269		8,875
Curipamba - Copper, gold, zinc		13,465		10		13,475
Other		-		250		250
Streaming interest						
Chapada - Copper		77,634		-		77,634
Balance, end of period	\$	347,988	\$	1,529	\$	349,517
Accumulated amortization, depletion						
Rocanville - Potash	\$	6,871	\$	775	\$	7,646
Esterhazy - Potash		1,249		49		1,298
Cory - Potash		772		139		911
Allan - Potash		1,200		186		1,386
Patience Lake - Potash		104		19		123
Vanscoy - Potash		99		134		233
Other potash		25		4		29
Coal & natural gas		3,069		200		3,269
Genesee - Coal		10,796		7,137		17,933
777 Mine - Copper & zinc		44,830		2,526		47,356
Gunnison - Copper		-		-		-
Pickett Mountain		-		-		-
Curipamba - Copper, gold, zinc		-		-		-
Other		-		-		-
Streaming interest						
Chapada - Copper		28,096		1,683		29,779
Balance, end of period	\$	97,111	\$	12,852	\$	109,963
Net book value	\$	250,877	\$	11,323	\$	239,554

In Thousands of Canadian Dollars	As at		Additions and		As at	
	December 31, 2020		revaluations		December 31, 2021	
Royalty interests						
Rocanville - Potash	\$	73,595	\$	-	\$	73,595
Esterhazy - Potash		33,204		455		33,659
Cory - Potash		19,427		-		19,427
Allan - Potash		6,367		-		6,367
Patience Lake - Potash		3,903		-		3,903
Vanscoy - Potash		5,238		-		5,238
Other potash		7,000		-		7,000
Coal & natural gas		8,000		-		8,000
Genesee - Coal		34,438		-		34,438
Other coal		2,744		-		2,744
777 Mine - Copper & zinc		47,356		-		47,356
Gunnison - Copper		10,300		-		10,300
Picket Mountain		7,606		-		7,606
Curipamba - Copper, gold, zinc		13,445		20		13,465
Streaming interest						
Chapada - Copper		77,634		-		77,634
Balance, end of year	\$	350,257	\$	475	\$	350,732
Accumulated amortization, depletion						
Rocanville - Potash	\$	5,277	\$	1,594	\$	6,871
Esterhazy - Potash		932		317		1,249
Cory - Potash		501		271		772
Allan - Potash		852		348		1,200
Patience Lake - Potash		69		35		104
Vanscoy - Potash		75		24		99
Other potash		16		9		25
Coal & natural gas		2,667		402		3,069
Genesee - Coal		2,593		8,203		10,796
Other coal		2,548		196		2,744
777 Mine - Copper & zinc		39,178		5,652		44,830
Gunnison - Copper		-		-		-
Pickett Mountain		-		-		-
Curipamba - Copper, gold, zinc		-		-		-
Streaming interest						
Chapada - Copper		22,447		5,649		28,096
Balance, end of year	\$	77,155	\$	22,700	\$	99,855
Net book value	\$	273,102	\$	22,225	\$	250,877

7. INCOME TAXES

Significant components of the deferred tax assets and liabilities are as follows:

In Thousands of Canadian Dollars	June 30, 2022	December 31, 2021
Temporary differences related to exploration and evaluation assets, property and other	\$ (5,710)	\$ (6,155)
Non capital and net capital loss carryforwards	5,046	5,331
Carrying value of investments in excess of tax values	(14,672)	(16,192)
Temporary differences related to preferred securities (Note 10)	-	(30,000)
Deferred and deductible share-based compensation and other costs	2,046	1,390
Share and debt issue costs	(741)	182
Carrying values in excess of tax values relating to royalty and streaming interests in mineral properties	(12,720)	(11,507)
	\$ (26,751)	\$ (56,951)

In Thousands of Canadian Dollars	June 30, 2022	December 31, 2021
Deferred tax liabilities	\$ (34,407)	\$ (64,738)
Deferred tax assets	7,656	7,787
Total deferred income tax	\$ (26,751)	\$ (56,951)

Components of income tax expense (recovery) are as follows:

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Current tax	\$ 4,038	\$ 2,179	\$ 6,612	\$ 3,711
Deferred tax	(566)	(250)	401	102
	\$ 3,472	\$ 1,929	\$ 7,013	\$ 3,813

8. DEBT

In Thousands of Canadian Dollars		
At amortized cost	June 30, 2022	December 31, 2021
Long-term debt	\$ 122,095	\$ 115,173
Current	8,000	8,000
Non-current	114,095	107,173
	\$ 122,095	\$ 115,173

The term credit facility has a four-year term and matures in August 2025 and has required quarterly principal repayments of \$2,000,000, with additional repayments being permitted at any time with no penalty. The revolving facility is payable in full by August 2025 and any unused portion of the revolving facility is available for qualifying royalty acquisitions, streaming acquisitions, and other qualifying investments. Both facilities bear interest at variable rates based on the total net debt ratio.

The Corporation has a floating-to-fixed interest rate swap to lock in the interest rate on the term credit facility on an amortized basis. The amount of the floating-to-fixed interest rate swap will reduce in tandem with the quarterly scheduled principal repayments on the term debt. As of June 30, 2022, the balance outstanding on the swap was \$44,000,000 (December 31, 2021 - \$48,000,000). The Corporation expected the interest rate on the fixed portion of the debt to be approximately 4.34% per annum during the full term of the loan, with the revolving facility fluctuating in accordance with market interest rates. The Corporation has applied hedge accounting to this relationship whereby the change

in fair value of the effective portion of the hedging derivative is recognized in accumulated other comprehensive earnings. Settlement of both the fixed and variable portions of the interest rate swap occurs on a quarterly basis. The full amount of the hedge was determined to be effective as at June 30, 2022. The Corporation has classified this financial instrument as a cash flow hedge and the fair value of the hedging instrument is recorded as an asset of \$1,744,000 (December 31, 2021 – liability of \$11,000) on the consolidated balance sheet.

The Corporation is amortizing costs attributable to securing the amended credit facilities of \$1,782,000 over the life of the facilities using an effective interest rate of 5.73%. During the three and six months ended June 30, 2022 \$136,000 and \$276,000 (June 30, 2021 - \$119,000 and \$246,000) of the costs were recognized as interest expense on long term debt in the consolidated statement of earnings.

During the six months ended June 30, 2022 the Corporation repaid \$4,000,000 on its term facility (June 30, 2021 - \$10,000,000). On June 21, 2022 the Corporation completed a drawdown on its revolving facility of \$10,000,000 to acquire investments.

As at June 30, 2022 the Corporation was in compliance with all debt covenants and has approximately \$96,000,000 of additional liquidity on its revolving facility.

The following principal repayments for the credit facilities are required over the next four calendar years.

In Thousands of Canadian Dollars	Term	Revolver	Total
2022	4,000	-	\$ 4,000
2023	8,000	-	\$ 8,000
2024	8,000	-	\$ 8,000
2025	24,000	79,357	\$ 103,357
	\$ 44,000	\$ 79,357	\$ 123,357
	Less: unamortized debt costs		1,262
			\$ 122,095

9. REVENUE AND GENERAL & ADMINISTRATIVE EXPENSES

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Revenue and other income				
Royalty	\$ 19,952	\$ 11,412	\$ 36,177	\$ 22,157
Copper stream*	4,090	4,095	10,403	7,556
Interest and investment	3,355	5,691	7,890	8,579
Other	9	-	23	408
Total revenue and other income	\$ 27,406	\$ 21,198	\$ 54,493	\$ 38,700

*Revenue from contracts with customers

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
General and administrative expenses				
Salaries and benefits	\$ 1,192	\$ 1,175	\$ 2,559	\$ 2,540
Professional and consulting fees	435	370	913	604
Office and administrative	620	474	1,136	767
Travel and accommodations	96	11	132	21
Total general and administrative	\$ 2,343	\$ 2,030	\$ 4,740	\$ 3,932

10. SHARE CAPITAL

Shares repurchased

The Corporation renewed its Normal Course Issuer Bid ("NCIB") effective August 22, 2021 and it will, unless further renewed, end no later than August 21, 2022. The Corporation may purchase at market prices up to 1,642,612 common shares representing approximately 3.96% of its 41,504,497 shares outstanding as of August 18, 2021. The Corporation repurchased and cancelled 110,000 common shares during the six months ended June 30, 2022 at a cost of \$2,096,000 (June 30, 2021 – 477,400 common shares at a cost of \$7,424,000).

Net earnings per share

Basic and diluted net earnings per share were calculated using the weighted average number of common shares for the respective periods.

In Thousands of Canadian Dollars	Three months ended		Nine months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Weighted average number of shares:				
Basic	46,819,748	41,446,643	44,015,869	41,474,918
Diluted	47,935,459	43,055,450	45,917,584	42,690,527

Other equity reserves

Other equity reserves consist of share-based payment reserves of \$9,588,000 and contributed surplus of \$2,866,000 for a total of \$12,454,000. Share-based payment reserve amounts are in respect of stock options, deferred share units ("DSUs"), restricted share units ("RSUs") and preferred share units ("PSUs").

Preferred securities

On April 14, 2022 Fairfax Financial Holdings Limited, through certain of its affiliates (collectively, "Fairfax") exercised 6,670,000 common share purchase warrants (the "Warrants") at an exercise price of \$15.00 per common share in the capital of the Corporation (each, a "Common Share") for gross proceeds of \$100,000,000. In accordance with the terms of the Warrants and the preferred security indenture dated April 26, 2017 between the Corporation and TSX Trust Company governing the Corporation's 5% subordinate preferred securities (the "Preferred Securities"), Fairfax elected to pay the exercise price of the Warrants by surrendering its \$100,000,000 Preferred Securities to Altius for cancellation, in full satisfaction of the exercise price payable in respect of the Warrants. As part of the redemption of the Preferred Securities, the Corporation made cash payments of \$2,086,000 which fully satisfies Altius' interest and certain other obligations under the Indenture. Total cash distributions paid during the six months ended June 30, 2022 were \$3,346,000. The Corporation reversed the deferred tax liability of \$30,000,000, through equity, associated with the Preferred Securities on the redemption of these instruments.

II. SUPPLEMENTAL CASH FLOW INFORMATION

In Thousands of Canadian Dollars	Six months ended	
	June 30, 2022	June 30, 2021
Adjustments for operating activities:		
Generative exploration	\$ 83	\$ 24
Exploration and evaluation assets abandoned or impaired	29	2,889
Share-based compensation	1,662	1,709
Foreign exchange loss (gain)	1,711	(3,166)
Amortization and depletion	12,953	10,427
Interest on long-term debt	2,951	3,305
Interest paid	(2,589)	(2,924)
Realized gain on disposal of derivatives	(32)	(1,076)
Unrealized loss (gain) on fair value adjustment of derivatives	2,233	(3,249)
Dilution gain on issuance of shares by a joint venture	-	(373)
(Earnings) loss from joint ventures	(1,201)	323
Non-cash other revenue	-	(1,018)
Gain on disposal of mineral property	(996)	(1,962)
Share of (earnings) loss and impairment reversal in associates	-	(1,261)
Gain on reclassification of an associate	-	(7,595)
Income taxes (current and deferred)	7,013	3,813
Income taxes (paid)	(9,925)	(8,828)
	\$ 13,892	\$ (8,962)
Changes in non-cash operating working capital:		
Accounts receivable and prepaid expenses	(4,059)	(2,600)
Accounts payable and accrued liabilities	(1,108)	(919)
	\$ (5,167)	\$ (3,519)
Cash and cash equivalents consist of:		
Deposits with banks	101,465	115,827
Short-term investments	5,938	50
	\$ 107,403	\$ 115,877

12. RELATED PARTY TRANSACTIONS

These transactions are in the normal course of operations and are measured at fair value, which is the amount of consideration established and based on the prevailing market rates.

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Key management personnel and directors				
Salaries and benefits	\$ 545	\$ 545	\$ 2,007	\$ 2,103
Share-based compensation	961	944	1,404	1,495
Total	\$ 1,506	\$ 1,489	\$ 3,411	\$ 3,598

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
General and administrative expenses billed from				
Associates	\$ -	\$ 6	\$ -	\$ 12
Joint venture	5	13	25	78
Total	\$ 5	\$ 19	\$ 25	\$ 90

13. NON-CONTROLLING INTERESTS

The following table sets forth the Corporation's cash transactions relating to its non-controlling interests:

In Thousands of Canadian Dollars	ARR	CRLP (1)	GRLP (1)	PRLP (1)	Total
Six months ended June 30, 2022					
Receipts	-	-	-	-	-
Distributions	-	2	120	1,104	1,226
Year ended December 31, 2021					
Receipts	98,932	-	-	-	98,932
Distributions	-	114	270	1,018	1,402

(1) Coal Royalty Limited Partnership ("CRLP"), Genesee Royalty Limited Partnership ("GRLP") and Potash Royalty Limited Partnership ("PRLP")

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The following table sets forth the Corporation's financial assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy. The fair value of the other financial instruments of the Corporation approximates the carrying value due to their short-term nature. Financial assets in level 2 consist of share purchase warrants and in level 3 consist of private company investments (Note 5).

In Thousands of Canadian Dollars				
As at June 30, 2022	Level 1	Level 2	Level 3	TOTAL
Investments	137,725	1,977	35,134	174,836
Derivative - cash flow swap	-	1,744	-	1,744
Financial assets	\$ 137,725	\$ 3,721	\$ 35,134	\$ 176,580
Other liability	884	-	-	884
Financial liabilities	\$ 884	\$ -	\$ -	\$ 884

In Thousands of Canadian Dollars				
As at December 31, 2021	Level 1	Level 2	Level 3	TOTAL
Investments	163,313	3,844	16,568	183,725
Financial assets	\$ 163,313	\$ 3,844	\$ 16,568	\$ 183,725
Derivative - cash flow swap	-	11	-	11
Other liability	851	-	-	851
Financial liabilities	\$ 851	\$ 11	\$ -	\$ 862

Level 1 – valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; inputs other than quoted prices used in a valuation model that are observable for that instrument; inputs that are derived principally from or corroborated by observable market data by correlation or other means; and estimates of expected volatility, expected life and expected risk-free rate of return, and;

Level 3 – valuation techniques with significant unobservable market inputs.

Reconciliation of Level 3 fair value measurements of financial instruments

The following table reconciles the fair value measurements of the Corporation's level 3 financial assets, which include lithium investments and certain mining and other investments (Note 8).

In Thousands of Canadian Dollars	
	Level 3 Investments
Balance, December 31, 2020	\$ 10,343
Additions	7,625
Disposals	(1,000)
Revaluation losses through OCI	(400)
Balance, December 31, 2021	\$ 16,568
Additions	14,168
Revaluation gains through OCI	4,398
Balance, June 30, 2022	\$ 35,134

Valuation technique and key inputs

The Corporation uses an income approach methodology for valuation of these instruments and or uses the value ascribed to external financings completed by its level 3 investments to determine the fair value. If an income approach is not possible, the Corporation utilizes cost as a proxy for fair value. The Corporation works with valuation specialists to establish valuation methodologies and techniques for Level 3 assets including the valuation approach, assumptions using publicly available and internally available information, updates for changes to inputs to the model and reconciling any changes in the fair value of the assets for each reporting date within its financial models.

Significant unobservable inputs

The Corporation may use estimates related to timing of revenues and cash flows, discounts rates and anticipated project development all of which are key inputs into a valuation model. Alternatively, the Corporation evaluates the pricing methodology used in any external financings by its level 3 investments as a key input for valuation.

Relationship and sensitivity of unobservable inputs to fair value

There are underlying sensitivities to these inputs and they may impact the fair value calculations. Specifically, using external financings as an input to the valuation model has the following impacts: the higher the price of the external financing, the higher the valuation of the level 3 investment, the lower the price of the external financing, the lower the valuation of the level 3 investment. A 1% change in financing prices results in a change in valuation of \$278,000 of these instruments.

The following table reconciles the fair value measurements of the level 3 financial assets, that are held in the GBR joint venture, consisting of renewable energy investments (Note 4).

In Thousands of Canadian Dollars	Level 3					Total
	Renewable energy investments					
	TGE ⁽²⁾	Apex ⁽²⁾	Longroad ⁽²⁾	Northleaf ⁽²⁾		
Balance, December 31, 2020	\$ 49,144	\$ 45,671	\$ -	\$ -	\$ 94,815	
Additions	18,212	25,974	45,707	68,761	158,654	
Reclassification to royalty interest	-	(46,548)	-	-	(46,548)	
Redemption	-	28,561	-	-	28,561	
Revaluation gains (losses) through OCI ⁽¹⁾	8,335	(53,658)	-	-	(45,323)	
Balance, December 31, 2021	\$ 75,691	\$ -	\$ 45,707	\$ 68,761	\$ 190,159	
Additions	1,967	-	-	3	1,970	
Reclassification to royalty interest	(6,198)	-	-	-	(6,198)	
Revaluation gains through OCI ⁽¹⁾	4,943	-	13,998	12,645	31,586	
Balance, June 30, 2022	\$ 76,403	\$ -	\$ 59,705	\$ 81,409	\$ 217,517	

⁽¹⁾ The Corporation has recorded its 50% share of revaluation gains through OCI (December 31, 2021 - 50%)

⁽²⁾ These amounts reflect the investments held in the joint venture on a 100% basis, converted at June 30, 2022 spot rate

Valuation technique and key inputs

The Corporation applies an income approach methodology primarily modelled with risk adjusted discounted cash flows to capture the present value of expected future economic benefits to be derived from the ownership of the investments (Longroad and Northleaf) and the royalty contracts that have been or will be granted in exchange for the TGE investment. The total number and value of royalty contracts to be ultimately awarded under the TGE investment agreement is subject to a minimum return threshold, which has the effect of muting the potential value impact of several of the unobservable inputs. The total cash distributions to be received under the Longroad and Northleaf Agreements is also subject to various return thresholds. If an income approach is not possible or the investment is recent, the Corporation

utilizes cost as a proxy for fair value. The Corporation works with valuation specialists to establish valuation methodologies and techniques for Level 3 assets including the valuation approach, assumptions using publicly available and internally available information, updates for changes to inputs to the model and reconciling any changes in the fair value of the assets for each reporting date within its financial models.

Significant unobservable inputs

The Corporation uses publicly available information for power purchase agreement prices and merchant power pricing, as well as estimates related to timing of revenues and cash flows, discounts rates and timing of commercial operations all of which are key inputs into the valuation model.

Relationship and sensitivity of unobservable inputs to fair value

The following table gives information about how the fair value of these investments held by GBR are determined and in particular, the significant unobservable inputs.

Significant unobservable inputs	Relationship and sensitivity of unobservable inputs to fair value	Quantitative impact
Discount rate	The Corporation applies a range of risk adjusted discount rates to the expected project royalties based on the stage of development and an assessment of the likelihood of completion. For operational royalties, ARR determines a discount rate based on the expected weighted average cost of capital (WACC) of the Corporation using a capital asset pricing model.	<p>The lower the discount rate the higher the value of an individual royalty. The higher the discount rate the lower the value of the individual royalty.</p> <p>A 1% change in discount rates results in a change of \$6,660,000 for the investment in TGE and \$11,419,000 for the royalty investments in Northleaf and Longroad.</p>
Timing of commercial operations	There are a series of anticipated project development milestones that occur as a project approaches commercial operations. As each project development milestone nears completion or is met, the risk associated with the project reaching commercial operations decreases. The expected timing of the commercial operations date (the date upon which cash flows are expected to commence) will impact the fair value calculation.	<p>As the commercial operations date approach and the time to cashflow shortens, the value will increase based on the time value of money. Impact is dependent on reduction in time and appropriate risk adjusted discount rate. Given the minimum return threshold it is expected that the impact of timing of commercial operations will be minimal as delays will result in a higher number of royalties granted and thus a higher value.</p> <p>Nominal impact.</p>
Power prices	The Corporation uses available forecast data of market power prices in order to calculate expected royalty revenue over the life of each project subject to merchant power prices. The forecasted power prices have a direct impact on forecasted annual revenue for the Corporation's Northleaf and Longroad royalty investments.	<p>The Northleaf and Longroad agreements are structured such that royalty rates will often vary over the life of a specific project so that the Corporation's targeted IRR threshold is met. These mechanisms effectively mute the long-term impact of merchant power prices on the valuations. Several of the Corporation's royalties are also contracted under long-term PPAs and are not exposed to market power prices.</p> <p>A 10% change in power prices results in a \$4,454,000 change in valuation of Northleaf and Longroad.</p>

Risk Management

The Corporation's financial assets and financial liabilities are exposed to various risk factors that may affect the fair value presentation or the amount ultimately received or paid on settlement of its assets and liabilities. The Corporation manages these risks through prudent investment and business decisions and, where the exposure is deemed too high, the Corporation may enter into derivative contracts to reduce this exposure. The Corporation does not utilize derivative financial instruments for trading or speculative purposes. Hedge accounting is applied only when appropriate documentation and effectiveness criteria are met.

COVID-19

Certain impacts to public health conditions particular to the coronavirus (COVID-19) outbreak that remains ongoing continue to impact global economies. The extent of the impact to the financial performance of the Corporation will depend on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, (iv) the effects on the economy overall and (v) the effect on commodity prices, all of which are highly uncertain and cannot be predicted. The impact of COVID-19 on the Corporation's investments and royalty and streaming assets could be volatile as financial markets and commodity prices adjust accordingly. The impact of COVID-19 to the Corporation was minimal during the six months ended June 30, 2022.

15. SEGMENTED INFORMATION

The Corporation manages its business under three operating segments consisting of Mineral Royalties, Renewable Royalties and Project Generation. Key measures used by the Chief Operating Decision Maker ("CODM") in assessing performance and in making resource allocation decisions are earnings before interest, tax, depreciation and amortization and other income (expenses) ("adjusted EBITDA") and earnings before income taxes. Both measures enable the determination of cash return on the equity deployed and overall profitability for each segment. The Corporation's proportionate revenue and expenses from LNRLP is included in the Mineral Royalties segment on a gross revenue and expense basis and adjusted to earnings in joint ventures (under the equity method) in the adjustment and eliminations column of the table. Revenue and expenses from the GBR joint venture are included in the Renewable Royalties segment on a proportionate revenue and expense basis and adjusted to earnings in joint ventures (under the equity method) in the adjustment and eliminations column of the table.

In Thousands of Canadian Dollars	Mineral	Renewable	Project	Subtotal	Adjustment for	Total
Reportable Segments, Three Months Ended June 30, 2022	Royalties	Royalties	Generation		Joint Ventures	
Revenue and other income	\$ 27,859	\$ 763	\$ 9	\$ 28,651	\$ (1,225)	\$ 27,406
Costs and Expenses						
General and administrative	1,354	844	607	2,785	(442)	2,343
Cost of sales - copper stream	1,227	-	-	1,227	-	1,227
Generative exploration	-	-	19	19	-	19
Mineral rights and leases	227.00	-	-	227	-	227
Adjusted EBITDA	\$ 25,071	\$ (81)	\$ (617)	\$ 24,373	\$ (783)	\$ 23,590
Share-based compensation	\$ (636)	\$ (219)	\$ (326)	\$ (1,181)	-	\$ (1,181)
Realized gain on disposition of derivatives	-	-	32	32	-	32
Amortization and depletion	(6,440)	(130)	-	(6,570)	211	(6,359)
Earnings from joint ventures	-	-	-	-	572	572
Foreign exchange loss	(1,141)	(20)	90	(1,071)	-	(1,071)
Unrealized loss on fair value adjustment of derivative	-	-	(1,920)	(1,920)	-	(1,920)
Exploration and evaluation assets abandoned or impaired	-	-	(29)	(29)	-	(29)
Interest on long-term debt	(1,498)	-	-	(1,498)	-	(1,498)
Earnings (loss) before income taxes	\$ 15,356	\$ (450)	\$ (2,770)	\$ 12,136	-	\$ 12,136
Income taxes (current and deferred)						3,472
Net earnings						\$ 8,664

In Thousands of Canadian Dollars						
Reportable Segments, Three Months Ended June 30, 2021	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total
Revenue and other income	\$ 21,851	\$ 55	\$ -	\$ 21,906	\$ (708)	\$ 21,198
Costs and Expenses						
General and administrative	1,187	984	542	2,713	(685)	2,030
Cost of sales - copper stream	1,224	-	-	1,224	-	1,224
Generative exploration	-	-	16	16	-	16
Mineral rights and leases	-	-	241	241	-	241
Adjusted EBITDA	\$ 19,440	\$ (929)	\$ (799)	\$ 17,712	\$ (25)	\$ 17,687
Share-based compensation	\$ (614)	\$ (49)	\$ (330)	\$ (993)	\$ -	\$ (993)
Realized gain on disposition of derivatives	-	-	1,076	1,076	-	1,076
Amortization and depletion	(5,683)	(135)	-	(5,818)	215	(5,603)
Loss from joint ventures	-	-	-	-	(190)	(190)
Gain on disposal of mineral property	-	-	1,962	1,962	-	1,962
Foreign exchange gain	385	61	-	446	-	446
Unrealized loss on fair value adjustment of derivative	-	-	(975)	(975)	-	(975)
Exploration and evaluation assets abandoned or impaired	-	-	(2,889)	(2,889)	-	(2,889)
Dilution gain on issuance of shares by associate and joint venture	-	15	-	15	-	15
Share of earnings and impairment reversal in associates	-	-	(165)	(165)	-	(165)
Gain on reclassification of associate	-	-	7,595	7,595	-	7,595
Interest on long-term debt	(1,488)	-	-	(1,488)	-	(1,488)
Earnings (loss) before income taxes	\$ 12,040	\$ (1,037)	\$ 5,475	\$ 16,478	\$ -	\$ 16,478
Income taxes (current and deferred)						1,929
Net earnings						\$ 14,549

In Thousands of Canadian Dollars						
Reportable Segments, Six Months Ended June 30, 2022	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total
Revenue and other income	\$ 52,581	\$ 1,533	\$ 3,008	\$ 57,122	\$ (2,629)	\$ 54,493
Costs and Expenses						
General and administrative	2,897	1,697	1,160	5,754	(1,014)	4,740
Cost of sales - copper stream	3,100	-	-	3,100	-	3,100
Generative exploration	-	-	83	83	-	83
Mineral rights and leases	227.00	-	-	227	-	227
Adjusted EBITDA	\$ 46,357	\$ (164)	\$ 1,765	\$ 47,958	\$ (1,615)	\$ 46,343
Share-based compensation	\$ (924)	\$ (257)	\$ (481)	\$ (1,662)	\$ -	\$ (1,662)
Realized gain on disposition of derivatives	-	-	32	32	-	32
Amortization and depletion	(13,115)	(252)	-	(13,367)	414	(12,953)
Earnings from joint ventures	-	-	-	-	1,201	1,201
Gain on disposal of mineral property	-	-	996	996	-	996
Foreign exchange loss	(562)	(11)	41	(532)	-	(532)
Unrealized loss on fair value adjustment of derivative	-	-	(2,233)	(2,233)	-	(2,233)
Exploration and evaluation assets abandoned or impaired	-	-	(29)	(29)	-	(29)
Interest on long-term debt	(2,951)	-	-	(2,951)	-	(2,951)
Earnings (loss) before income taxes	\$ 28,805	\$ (684)	\$ 91	\$ 28,212	\$ -	\$ 28,212
Income taxes (current and deferred)						7,013
Net earnings						\$ 21,199
Supplementary information						
Total assets	\$ 434,053	\$ 225,777	\$ 59,646	\$ 719,476	\$ -	\$ 719,476
Cash flow from (used)						
Operating activities	32,142	(164)	(1,154)	30,824	(900)	29,924
Financing activities	(8,677)	-	-	(8,677)	-	(8,677)
Investing activities	(32,158)	20,207	(2,814)	(14,765)	900	(13,865)
Total cash flow from (used)	\$ (8,693)	\$ 20,043	\$ (3,968)	\$ 7,382	\$ -	\$ 7,382

In Thousands of Canadian Dollars									
Reportable Segments, Six Months Ended June 30, 2021	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total			
Revenue and other income	\$ 39,576	\$ 90	\$ 408	\$ 40,074	\$ (1,374)	\$ 38,700			
Costs and Expenses									
General and administrative	2,447	1,660	1,124	5,231	(1,299)	3,932			
Cost of sales - copper stream	2,245	-	-	2,245	-	2,245			
Generative exploration	-	-	24	24	-	24			
Mineral rights and leases	-	-	271	271	-	271			
Adjusted EBITDA	\$ 34,884	\$ (1,570)	\$ (1,011)	\$ 32,303	\$ (75)	\$ 32,228			
Share-based compensation	\$ (972)	\$ (214)	\$ (523)	\$ (1,709)	\$ -	\$ (1,709)			
Realized gain on disposition of derivatives	-	-	1,076	1,076	-	1,076			
Amortization and depletion	(10,591)	(234)	-	(10,825)	398	(10,427)			
Loss from joint ventures	-	-	-	-	(323)	(323)			
Gain on disposal of mineral property	-	-	1,962	1,962	-	1,962			
Foreign exchange gain	750	325	-	1,075	-	1,075			
Unrealized gain on fair value adjustment of derivative	-	-	3,249	3,249	-	3,249			
Exploration and evaluation assets abandoned or impaired	-	-	(2,889)	(2,889)	-	(2,889)			
Dilution gain on issuance of shares by associate and joint venture	-	373	-	373	-	373			
Share of (loss) and impairment reversal in associates	-	-	1,261	1,261	-	1,261			
Gain on reclassification of an associate	-	-	7,595	7,595	-	7,595			
Interest on long-term debt	(3,305)	-	-	(3,305)	-	(3,305)			
Earnings (loss) before income taxes	\$ 20,766	\$ (1,320)	\$ 10,720	\$ 30,166	\$ -	\$ 30,166			
Income taxes (current and deferred)							3,813		
Net earnings							\$ 26,353		
Supplementary information									
Total assets ⁽¹⁾	\$ 468,896	\$ 195,781	\$ 81,474	\$ 746,151	\$ -	\$ 746,151			
Cash flow from (used)									
Operating activities	19,836	(1,570)	(3,626)	14,640	(768)	13,872			
Financing activities	(18,989)	98,932	-	79,943	-	79,943			
Investing activities	(457)	-	(53)	(510)	768	258			
Total cash flow from (used)	\$ 390	\$ 97,362	\$ (3,679)	\$ 94,073	\$ -	\$ 94,073			

16. SUBSEQUENT EVENTS

Renewables

On July 29, 2022, ARR announced that GBR entered into a transaction with U.S. renewable energy developer, Hodson Energy, LLC (“Hodson”), to gain future royalties related to Hodson’s portfolio of solar plus battery storage development projects. The US\$40,000,000 royalty investment into Hodson will be invested in tranches over approximately the next three years as Hodson achieves certain project advancement milestones, with an initial investment upon closing of US\$14,000,000. ARR funded it’s 50% (US\$7,000,000) of the initial investment into Hodson upon closing. GBR will receive a royalty on all projects developed and vended by Hodson until a minimum total return threshold is achieved. The targeted IRR threshold is consistent with the upper part of GBR’s previously disclosed 8-12% base hurdle rate range before factoring for potential longer-term option value realizations.