ALTIUS MINERALS CORPORATION

Management's Discussion and Analysis

of Financial Conditions and Results of Operations

Three and Six Months Ended October 31, 2016

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the Corporation's condensed consolidated financial statements for the three and six months ended October 31, 2016 and related notes. This MD&A has been prepared as of December 14, 2016.

Management's discussion and analysis of financial condition and results of operations contains forward–looking statements. By their nature, these statements involve risks and uncertainties, many of which are beyond the Corporation's control, which could cause actual results to differ materially from those expressed in such forward-looking statements. Readers are cautioned not to place undue reliance on these statements. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional information regarding the Corporation, including the Corporation's continuous disclosure materials, is available on the Corporation's website at www.altiusminerals.com or through the SEDAR website at www.sedar.com.

Description of Business

Altius Minerals Corporation ("Altius" or the "Corporation") has two key elements to its business model - the building of a diversified portfolio of long-life mine royalty/streaming interests and the generation of high quality exploration projects that it converts to royalties and various other types of third party funded interests. Both business components recognize the strong inherent cyclicity of valuations and the availability of capital within the minerals sector, and are managed with contrarian discipline over full-cycle investment timeframes.

Its diversified royalties and streams generate revenue from 14 operating mines located in Canada (13) and Brazil (1), from copper, zinc, nickel, cobalt, precious metals, potash and thermal (electrical) and metallurgical coal (see *Appendix 1: Summary of Producing Royalties and Streaming Interests*). The portfolio also includes numerous pre-production stage royalties covering a wide spectrum of mineral commodities and jurisdictions. Additional information on the status of these royalty interests is available in *Appendix 2: Summary of Exploration and Pre-Development Stage Royalties* of this MD&A.

The exploration portfolio is well diversified by commodity and geography, and consists of exploration projects that the Corporation has generated in respect of which it seeks to create funding partnerships with other exploration and mining companies while retaining royalties and equity or minority project interests.

Operational and Business Overview

A summary of the Corporation's attributable revenue by royalty (in 000's) is as follows:

	Three months ended October 31,			**Six months ended October 31,**		
	2016	2015	Variance	**2016**	2015	Variance
Revenue						
Base metals						
777 Mine	**2,441**	2,361	80	**5,047**	4,892	155
Chapada	**2,301**	-	2,301	**3,188**	-	3,188
Voisey's Bay	**-**	372	(372)	**-**	1,049	(1,049)
Coal						
Genesee	**1,009**	1,653	(644)	**2,196**	3,797	(1,601)
Paintearth	**174**	429	(255)	**295**	659	(364)
Sheerness	**1,502**	1,230	272	**2,568**	2,442	126
Highvale	**232**	171	61	**360**	301	59
Cheviot	**941**	335	606	**1,272**	872	400
Potash						
Cory	**104**	248	(144)	**221**	434	(213)
Rocanville	**237**	500	(263)	**769**	1,278	(509)
Allan	**74**	112	(38)	**137**	238	(101)
Patience Lake	**-**	-	-	**24**	48	(24)
Esterhazy	**218**	353	(135)	**460**	685	(225)
Vanscoy	**13**	45	(32)	**22**	77	(55)
CDP - potash	**132**	216	(84)	**259**	507	(248)
Other						
CDP - other	**219**	190	29	**691**	355	336
Project generation - other	**50**	2	48	**205**	683	(478)
Interest and investment	**317**	317	-	**660**	2	658
Attributable revenue	9,964	8,534	1,430	18,374	18,319	55

See non-IFRS measures section of this MD&A for definition and reconciliation of attributable revenue

Chapada Copper Stream

On May 3, 2016, the Corporation closed a copper purchase agreement (the "Agreement") related to the Chapada copper-gold mine located in central Brazil. The Corporation paid US$60,000,000 (CAD $75,820,000) and issued 400,000 common share purchase warrants to a subsidiary of Yamana Gold Inc. ("Yamana"). Under the terms of the Agreement, the Corporation is entitled to purchase 3.7% of the payable copper produced from the Chapada mine at 30% of the market price. The rate of payable copper is subject to reduction in the event of an expansion at Chapada or upon delivery of 75 million pounds of payable copper.

During the quarter, the Corporation sold 803,000 pounds of copper at an average price of US $2.19 per pound and generated gross revenue of US $1,759,000. During the six-month period, Altius sold 1,141,000 pounds of copper at an average price of US$2.14 per pound and generated gross revenue of US $2,445,000.

777 Copper-Zinc-Gold-Silver Royalty

The Corporation receives royalty revenues from HudBay Minerals Inc. ("HudBay") on its 777 copper-zinc-gold-silver mine in Manitoba. Royalty revenue for this period is comparable to the prior period in 2015. Processed ore during the current quarter was higher than in the prior year due to labour related issues during the comparable prior period. Production attributable to the 777 mine for the quarter was 9.0 million pounds of copper and 26.5 million pounds of zinc (2015 – 12.6 million pounds of copper and 13.6 million pounds of zinc). Production attributable to the 777 mine year to date was 19.0 million pounds of copper and 39.9 million pounds of zinc (2015 – 24.0 million pounds of copper and 26.1 million pounds of zinc). The 777 mine is expected to process approximately 1,400,000 tonnes of ore annually.

Voisey's Bay Nickel-Copper-Cobalt Royalty

Vale continued to deduct capital costs associated with construction of its Long Harbour processing facility against the net smelter return royalty calculation, which has reduced the royalty to $nil. Altius disagrees that the royalty agreement allows for the deduction of capital related costs against royalty payments and through the Labrador Nickel Royalty Limited Partnership ("LNRLP") is pursuing all legal remedies available to defend its position and its royalty entitlements.

Altius is also, through LNRLP, pursuing a legal claim against Vale which includes assertions that all previous royalty payments made to it have been inadequate on the basis that the sales of material from the mine to other operating subsidiaries of Vale were completed at lower than fair market prices. Altius is a 10% unit holder in LNRLP while Royal Gold is the General Partner holding the remaining 90%.

Alberta Electrical Coal Royalties

The Corporation receives tonnage based royalties from four thermal coal mining operations that provide fuel to 15 individual electricity generating units in Alberta. Royalties are calculated based upon production tonnages multiplied by royalty rates that vary both by mine and, in some cases, production areas within individual mines. Royalty rates also recalculate annually in accordance with Canadian GDP indices. Total production attributable to the Corporation's electrical coal royalties during the quarter was 924,000 tonnes (2015 - 866,000 tonnes). On a year to date basis for 2016 and 2015, total production attributable to these royalties was 1,583,000 tonnes and 1,885,000 tonnes respectively.

Production volumes and related revenues at Genesee were lower this quarterly period than in 2015 due to timing of coal production. Altius anticipates mine production and royalty revenue to remain consistent on an annual basis and mine production remains on target for the year.

Higher royalty revenues were received from the Sheerness mine during the period as compared to the same period in the prior year. Production volumes improved due to mine sequencing changes and movement back onto higher rate royalty applicable lands. The Sheerness royalty delivers variable royalty rates depending on the particular area of coal extraction.

Lower royalty revenues were noted from the Paintearth mine during the period as compared to the same period in the prior year. Overall, production volumes at Paintearth are understood to be lower in response to decreased customer demand. The royalty on the Highvale mine, which commenced in 2015, delivered royalty revenues for the quarter as expected.

In November 2016, the Government of Alberta announced a settlement with the coal-power producers in Alberta. Under the announced agreement, the Coal users will receive total payments of $1.36 billion over 14 years as compensation for shutting down certain coal-fired power generators by 2030.

The Corporation has registered its interest with the Alberta Government and has commenced its process to seek compensation for its investment in coal assets in Alberta that will be affected by the proposed legislation. As disclosed previously, the primary asset of the Corporation that could be affected by the coal 2030 mandated shut-down is the Genesee royalty, which was originally expected to run until 2055 under the existing federal regulations. However, other assets and royalties of the Corporation may be affected by details within the plan, which we understand is still under development. The Corporation can provide no assurance that compensation will be received from the Government of Alberta as consideration for its investment in Alberta coal.

Metallurgical Coal Royalty

Altius' royalty on Teck's Cheviot metallurgical coal mine is based upon both sales volumes and realized commodity prices, net of certain costs. Total sales attributable to the Corporation's metallurgical coal royalty during the quarter were 155,000 tonnes (2015 – 98,000 tonnes) at an average gross realized price of $165 per tonne (2015 - $106 per tonne). Year to date, total sales attributable to this royalty were 245,000 tonnes compared to 204,000 tonnes for the same period in 2015. Average realized prices continued to increase as recent media reports suggest that the Q1 2017 benchmark seaborne contract price has been settled at US$285 per tonne.

Saskatchewan Potash Royalties

Altius receives revenue from six producing potash mining operations in Saskatchewan. Total production attributable to the Corporation's potash royalties during the quarter was 137,000 tonnes (2015 – 148,000 tonnes) at an average realized price of $252 per tonne (2015 - $422 per tonne). Production volume was down slightly in the current quarter because of planned maintenance at the Rocanville mine in September of the current year. Year to date, total production is consistent at 298,000 and 305,000 tonnes for 2016 and 2015 respectively.

Oversupply conditions for potash on the world market have caused prices to decline sharply during the past year and have led to production curtailments at several higher cost operations throughout the industry and, in some cases, the redirection of production next year to lower cost operations. The mines from which Altius receive royalties are generally lower cost operations.

Project Generation

The exploration strategy of the Corporation continues to be to generate high quality projects across the commodities spectrum that it expects will attract third party funding agreements with the long-term goal of generating low cost royalties and capital gains.

Focus areas for our project generation efforts include Ireland, Chile, Canada, the U.S., Australia and a select few other jurisdictions in the Americas and Europe. The majority of the projects composing the portfolio have been acquired through low-cost direct staking initiatives.

We have shifted gears operationally in accordance with a cyclical sentiment improvement that has occurred for select mineral commodities and the minerals industry in general. Capital has become available again for high quality projects.

On September 15, 2016, the Corporation completed an agreement to option the Wilding Lake property (the "Project") to Northwest Arm Capital Inc. ("NWA"), a new TSX Venture Exchange listed Capital Pool Company. As consideration for the option on the Project, Altius has received 4,500,000 shares of NWA (subsequent to October 31, 2016) and upon earn-in by NWA, the Corporation will retain a 2% net smelter return royalty over the Project.

On October 29, 2016, the Corporation elected to receive its milestone option payment and reimbursement of certain mineral tenure related expenses on the Telkwa Coal project ("Telkwa") in British Columbia in the form of shares in ASX listed Allegiance Coal Ltd. On November 8, 2016, the private company optionee of Telkwa, Telkwa Coal Limited ("TCL"), completed a transaction to be acquired by an Australian based public issuer, Allegiance Coal Ltd. ("Allegiance"). The Corporation now holds 10,956,282 shares of Allegiance while retaining a project level royalty over the Telkwa project. Under the conditions of the existing agreement, TCL had the right to earn up to a 90 percent interest in the Telkwa project in exchange for staged milestone payments. The Corporation will retain both a sliding scale gross sales royalty that ranges between 3% and 4.5% depending upon benchmark coal prices at the time of any coal sale, and a 10% project interest.

In November 2016, the Corporation, through its joint venture Mining Equity, executed a Heads of Agreement ("HOA") with an Australian junior company, Emu NL, related to the option of its Vidalita gold project in Chile. As consideration for the option, Mining Equity will upon exercise indirectly receive 15,000,000 Emu shares (with 2,500,000 to be issued on signing and shareholder approval). Minimum exploration expenditures of $1,0000,000 US will be committed to the project over the initial 24 months of the agreement and a 1% NSR royalty will be retained.

In December Altius reported that together with select strategic investors it is participating in the co-founding of a new company, Adventus Zinc Corporation ("Adventus Zinc"), that intends to become publicly traded and which will focus on the acquisition and advancement of zinc exploration and development projects. Altius is contributing an extensive portfolio of zinc exploration projects in Ireland and Eastern Canada, which it opportunistically assembled over the past 4 years, and will be providing a portion of Adventus Zinc's pre-IPO seed capital funding.

In addition to advancing its exploration lands, Adventus Zinc intends to pursue the acquisition of advanced zinc projects that range from resource delineation through to feasibility stage. Altius and the co-founding strategic investors of Adventus Zinc will each contribute technical and financial strength to this effort.

Christian Kargl-Simard, P. Eng., has been appointed as the President and CEO of Adventus Zinc.

Readers are encouraged to visit the corporate website at www.altiusminerals.com to gain added insight into the exploration activities and projects of the Corporation. In summary, demand is cyclically increasing for projects that offer real discovery potential and we are prepared and responding accordingly.

Outlook

Most base metal and bulk materials commodities saw meaningful price increases throughout the first half of the year, which will result in higher royalty revenue and, longer term, potentially higher production volumes to take advantage of the higher prices. Improved commodity prices in copper and metallurgical coal in particular, are expected to positively impact second-half revenues.

Potash prices have improved slightly from their bottom this past summer as global producers implement supply side discipline measures such as curtailing production at higher cost operations. Longer term forecasts for global potash volume growth requirements remain positive and a shift of volumes to lower cost operations is expected to be ultimately beneficial to Altius given our weighted exposure to these lower cost operations.

Alberta thermal coal fired electricity generation demand continues to be affected by decreased electrical demand, which affected higher cost operations such as Paintearth. However, the Genesee and Sheerness royalties are expected to show improved results in the second half of the year based on normal mine sequencing and production level adjustments. Uncertainty regarding the investment climate in Alberta seems to have improved modestly as a result of the announced settlement with the power producers affected by the proposed phase out of thermal coal usage by 2030. With this phase completed, we will be pursuing meaningful discussions with the Government of Alberta regarding compensation for the Corporation's investments in coal in Alberta. No assurance can be given that this will result in any compensation at this time.

The Corporation will continue to selectively add high quality, long life royalties or streaming interests to the royalty portfolio should the right opportunities arise. Recent signs of a recovering market sentiment have resulted in fewer opportunities available for producing assets but should also result in an improvement in the number of development stage assets that seek financing.

Improvements in junior equity markets and the resulting access to capital is expected to enable the Corporation to transfer additional mineral properties to select partners in exchange for equity interests and a retained royalty. We have monetized junior equity investments totaling $10,751,000 during the six months ended October 31, 2016. We expect to replenish and grow our investment base through share price appreciation and additional agreements. The Corporation is currently in discussions with various parties on some of these properties prospective for gold and other base metals. In particular, the Corporation is undergoing a process to transfer its portfolio of zinc mineral properties located in Newfoundland and Ireland into a new zinc company in exchange for equity and royalties. This process is expected to be completed in the coming two months.

Low-cost exploration and generative activities will continue to focus on the build-up of high quality projects in globally significant mining jurisdictions.

Results of Operations

Tabular amounts are shown in thousands of Canadian dollars.

	Three months ended October 31,			Six months ended October 31,		
	2016	2015	Variance	**2016**	2015	Variance
Attributable revenue	**9,964**	8,534	1,430	**18,374**	18,319	55
Adjusted EBITDA	**6,786**	6,475	311	**13,189**	12,570	619
Net earnings (loss) attributable to common shareholders	**341**	(1,140)	1,481	**3,390**	(1,682)	5,072

The increase in attributable revenue (see non-IFRS measures) from the same period last year was driven by higher 777 mine royalty revenues, the commencement of revenue from the Chapada copper stream, and improvements in metallurgical coal prices. The revenue increase was partially offset by lower potash prices, decreased coal production, and Voisey's Bay revenue of $nil (see discussion above). In the current year, adjusted EBITDA is impacted by positive changes to revenues and some slight increases to costs and expenses discussed below. Additional information on each specific royalty stream is included in the table above.

The Corporation recorded net earnings per share to common shareholders of $0.01 for the three months ended October 31, 2016 compared to net loss per share of $0.03 for the three months ended October 31, 2015. The current quarter was positively impacted by gains on disposition of investments and negatively affected by one-time costs of $1,874,000 relating to the retirement of the previous credit facility. The 2015 quarter results were negatively impacted by losses in associates related to a non-cash reduction in the carrying value of shares held in Alderon Iron Ore.

Interest and investment income was largely related to dividends received on available for sale equity holdings and interest on cash holdings.

Costs and Expenses

	Three months ended October 31,			**Six months ended October 31,**		
	2016	2015	Variance	**2016**	2015	Variance
General and administrative	**1,791**	1,616	175	**3,059**	3,613	(554)
Cost of sales - copper stream	**684**	-	684	**948**	-	948
Share-based compensation	**375**	(269)	644	**623**	165	458
Generative exploration	**433**	95	338	**628**	211	417
Exploration and evaluation assets abondoned or impaired	**-**	317	(317)	**-**	659	(659)
Mineral rights and leases	**117**	213	(96)	**330**	430	(100)
Amortization and depletion	**2,931**	1,738	1,193	**5,540**	3,574	1,966
	6,331	3,710	2,621	**11,128**	8,652	2,476

General and administrative expenses in the six months ended October 31, 2016 were lower than in the prior year due to one-time expenses related to the Callinan acquisition incurred in the prior year, as well as lower professional fees and salary related costs in the current year. Cost of sales – copper stream also relates to the acquisition of copper under the Chapada copper stream agreement which provides for payments equal to 30% of the spot price. Share based compensation included a fair value adjustment in the previous year during the three months ended October 31, 2015. Generative exploration increased for the three and six months ended October 2016 due to increased exploration activities in our Irish subsidiary. Increased amortization and depletion is primarily related to the addition of the Chapada copper stream agreement.

	Three months ended October 31,			Six months ended October 31,		
	2016	2015	Variance	**2016**	2015	Variance
Earnings from joint ventures	**3,064**	3,561	(497)	**5,755**	6,904	(1,149)
Gain on disposal of investments and impairment recognition	**357**	606	(249)	**5,541**	544	4,997
Foreign exchange loss	**(444)**	-	(444)	**(1,370)**	-	(1,370)
Gain (loss) on derivative financial instruments	**-**	219	(219)	**-**	219	(219)
Interest on long-term debt	**(1,479)**	(1,405)	(74)	**(4,929)**	(2,852)	(2,077)
Share of loss and impairment in associates	**-**	(2,697)	2,697	**-**	(3,287)	3,287
Income tax expense	**343**	799	(456)	**595**	996	(401)

Other factors which contributed to the change in the Corporation's earnings are:

- During the six months ended October 31 2016, the Corporation recorded net gains on sale of investments of $5,791,000 compared to a gain of $544,000 for the same period in the prior year.
- The current year includes an impairment recognition of $250,000 compared to $1,695,000 in the prior year on Alderon and other investments, to adjust the carrying value to fair value.
- Earnings from royalty joint ventures were lower than the previous year as a result of revenue from the Voisey's Bay royalty being reduced to $nil and overall lower revenues from coal and potash.
- Interest on long-term debt in the six month period ended October 31, 2016 includes a one-time cost of $1,874,000 relating to the retirement of the previous credit facility. These costs were recognized in earnings during the period while costs associated with the new credit facilities were deferred and will be amortized over the terms of the debt.
- Foreign exchange loss recorded in the three and six months ended October 31, 2016 related to the revaluation of the USD denominated Revolving Facility compared to $nil for the same periods in the prior year.

Cash Flows, Liquidity and Capital Resources

Summary of Cash Flows	For the six months ended October 31,	
	2016	2015
	$	$
Operating activities	**150**	(3,944)
Financing activities	**51,952**	(9,396)
Investing activities	**(48,527)**	10,034
Net increase (decrease) in cash and cash equivalents	**3,575**	(3,306)
Cash and cash equivalents, beginning of period	**9,577**	18,543
Cash and cash equivalents, end of period	**13,152**	15,237

Operating Activities

For the six months ended October 31, 2016 there was increased royalty revenue as well as lower income taxes paid which contributed to the improvement in operating cash flow.

Financing Activities
The Corporation closed an equity financing on May 3, 2016 for net proceeds of $37,714,000, a portion of which was used to pay for the acquisition of the Chapada copper stream. Net proceeds of $101,116,000 were received from the New Credit Facilities. A portion of the new debt proceeds was used to repay the previous credit facility of $66,000,000.

A total of $18,274,000 (2015 - $7,000,000) was repaid on the new credit facilities in the six months ended October 31, 2016, $5,858,000 of which was repaid in the three months ended October 31, 2016.

The Corporation paid dividends of $2,604,000 (2015 - $2,396,000) to its shareholders in the six months ended October 31, 2016.

Investing Activities
The Corporation paid $65,481,000 to complete its acquisition of the Chapada copper stream, of which $65,402,000 (US $52,000,000) was paid as the second and final payment directly to a subsidiary of Yamana and $79,000 was paid in acquisition related costs.

Royalty cash flow (from joint ventures) decreased to $7,952,000 in the current year from $11,961,000 in the prior year because of lower revenues. The Corporation received $10,751,000 in proceeds for the six months ended October 31, 2016 from the sale of available for sale investments, which was used to repay a portion of the New Credit Facilities, compared to $3,775,000 for the same period in the prior year.

The Corporation used $33,000 in cash to acquire marketable equity securities in the six months ended October 31, 2016 compared to $26,839,000 for the same period in the prior year.

In the prior year, net cash received from the Callinan acquisition on May 5, 2015 was $22,654,000.

Liquidity
At October 31, 2016, the Corporation had current assets of $19,030,000, consisting of $13,152,000 in cash and cash equivalents and $4,004,000 primarily in accounts receivable and prepaid expenses with the remainder in income taxes receivable, and current liabilities of $11,026,000 including the current portion of long-term debt obligations of $9,250,000. The Corporation has approximately $60,000,000 available on its Revolving Facility that can be used for future acquisitions. The Corporation's major sources of funding are from royalty and streaming revenue, cash receipts from royalty partnership interests, sales of direct and indirect exploration investments, and investment income. In addition, the Corporation partially funds exploration expenditures via third party agreements whereby exploration expenditures are cost-shared or funded by third parties in exchange for a partial ownership interest in the mineral rights to the properties.

Commitments and Contractual Obligations

The Corporation has obtained various mineral rights in Canada, the United States and Ireland by staking claims and paying refundable security deposits. On these lands, certain expenditures are required on an annual basis from the date of license issuance in order to maintain the licenses in good standing and for security deposits. On or before the anniversary date of license issuance, and if the required expenditures are not met, the Corporation has the option of reducing claims on a property, posting a refundable security bond for the deficient amount or electing to allow title of the license to be cancelled. The Corporation is required to spend an additional $454,500 by October 31, 2017 in order to maintain various licenses in good standing.

The following principal repayments for the New Credit Facilities are required over the next 5 years.

	Term	Revolver	Total
	$	$	$
2017	9,250,000	-	9,250,000
2018	13,000,000	-	13,000,000
2019	13,000,000	20,105,000	33,105,000
2020	30,750,000	-	30,750,000
2021	-	-	-
	66,000,000	20,105,000	86,105,000

Related Party Transactions

The Corporation has a 49% interest in Mining Equity, an investment fund focused on project generation activities and based in Santiago, Chile. Included in accounts receivable at October 31, 2016 was $158,000 (2015 - $141,000) receivable from Mining Equity for the reimbursement of exploration and consulting services.

Strauss Partners Ltd., which is owned by director Jamie Strauss, was paid $50,000 (GBP 30,000) during the three months ended October 31, 2016 (2015 - $nil) for marketing and investor relations services.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation as a whole. The Corporation has determined that key management personnel consist of members of the Corporation's Board of Directors and corporate officers, including the Corporation's Executive Chairman, Chief Executive Officer and Chief Financial Officer, as well as two Vice Presidents reporting directly to a corporate officer.

Total salaries and benefits paid to key management personnel during the six months ended October 31, 2016 was $1,446,000 (2015 - $1,970,000). Total share based compensation relating to key management personnel during the six months ended October 31, 2016 was $623,000 (2015 - $165,000).

These related party transactions are in the normal course of operations and are measured at fair value, which is the amount of consideration established and agreed to by the related parties. It is management's estimation that these transactions were undertaken under the same terms and conditions as transactions with non-related parties.

Summary of Quarterly Financial Information

The table below outlines selected financial information related to the Corporation's attributable revenue, adjusted EBITDA, net earnings (loss) and net earnings (loss) per share for the most recent eight quarters. The financial information is extracted from the Corporation's interim condensed and audited consolidated financial statements.

Amounts in thousands of dollars, except per share amounts

$	October 31, 2016	July 31, 2016	April 30, 2016	January 31, 2015
Attributable revenue (1)	9,964	8,410	7,465	7,301
Adjusted EBITDA (1)	6,786	6,403	5,356	6,273
Net earnings (loss) attributable to common shareholders	341	3,049	(19,988)	(16,794)
Net earnings (loss) per share - basic and diluted	0.01	0.07	(0.51)	(0.42)

$	October 31, 2015	July 31, 2015	April 30, 2015	January 31, 2015
Attributable revenue (1)	8,534	9,785	6,981	7,583
Adjusted EBITDA (1)	6,475	6,094	4,927	5,200
Net earnings (loss) attributable to common shareholders	(1,140)	(1,632)	8,939	(5,701)
Net loss per share - basic and diluted	(0.03)	(0.04)	0.28	(0.18)

(1) Non-IFRS measures are reconciled and described in the Non-IFRS Measures section of this MD&A

Earnings are derived primarily from royalty and investment income. Royalty income is contingent on many factors including commodity prices, mine production levels, mine sequencing, maintenance schedules and the timing of concentrate shipments.

Net earnings are affected somewhat by revenue net of operating expenses, but are affected primarily by the realization of both cash and non-cash gains or losses on the Corporation’s investments and mineral exploration alliances and the equity accounting of some investments.

Internal Control over Financial Reporting

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The certifying officers have evaluated the effectiveness of the Corporation’s internal control over financial reporting as of October 31, 2016, and have concluded that such controls are adequate and effective to ensure accurate and complete financial reporting in public filings. The condensed consolidated interim financial statements have been prepared by management in accordance with IFRS and in accordance with accounting policies set out in the notes to the condensed consolidated interim financial statements for the three and six months ended October 31, 2016. There has been no change in the Corporation’s internal control over financial reporting during the Corporation’s six months ended October 31, 2016 that has materially affected, or is reasonably likely to materially affect, the Corporation’s internal control over financial reporting.

Evaluation and Effectiveness of Disclosure Controls and Procedures

The Corporation has established and maintains disclosure controls and procedures over financial reporting. The certifying officers have evaluated the effectiveness of the issuer’s disclosure controls and procedures as of October 31, 2016, and have concluded that such procedures are adequate and effective to ensure accurate and complete disclosures in public filings.

There are inherent limitations in all control systems and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of management estimates include the reserves used for depletion of the Chapada copper stream, rates for amortization of the royalty interests, deferred income taxes, the carrying value and assessment of impairment of investments in joint ventures and royalty and streaming interests, the assumptions used in the determination of the fair value of share based compensation, the assessment of impairment of goodwill and the assumptions used in the determination of the fair value of derivatives for which there is no publicly traded market.

Risk Factors and Key Success Factors

An investment in securities of the Corporation involves a significant degree of risk that should be considered prior to making an investment decision. In addition to discussions of key success factors and business issues elsewhere in this MD&A, the investor should consider risk factors. Please refer to the annual financial statements and MD&A for the year ended April 30, 2016 for a complete listing of risk factors specific to the Corporation. No additional risks have been identified in the current period.

The Corporation's coal royalty revenue is exposed to uncertainty given the proposal by the Government of Alberta to phase out coal fired power plants by the year 2030. The Corporation receives royalties from four coal fired power plants in Alberta and of these, only the Genesee plant has an expected useful life beyond the proposed 2030 forced closure date. Very few details are available with respect to the forced closure plan at this time and we will continue to assess information and monitor policy as it becomes available.

Financial Instrument Risk

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. The Corporation does not currently use any hedges.

A summary of the major financial instrument risks and the Corporation's approach to the management of these risks are included in the annual financial statements and MD&A for April 30, 2016. There have been no changes to these factors during the current period.

Outstanding Share Data

At December 14, 2016, the Corporation had 43,335,654 common shares outstanding, 400,000 warrants outstanding and 274,933 stock options outstanding.

Non-IFRS Measures

Attributable royalty and other revenue ("attributable revenue") and adjusted EBITDA are intended to provide additional information only and does not have any standardized meaning prescribed under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently. For a reconciliation of these measures to various IFRS measures, please see the Corporation's MD&A disclosure below.

(1) Attributable revenue is defined by the Corporation as total revenue from the consolidated financial statements plus the Corporation's proportionate share of gross royalty revenue in the joint ventures. The Corporation's key decision makers use attributable royalty revenue and related attributable royalty expenses as a basis to evaluate the business performance. The attributable royalty revenue amounts, together with amortization of royalty interests, general and administrative costs and mining tax, are not reported gross in the consolidated statement of earnings (loss) since the royalty revenues are being generated in a joint venture and IFRS 11 Joint Arrangements requires net reporting as an equity pick up. The reconciliation to IFRS reports the elimination of the attributable revenues and reconciles to the revenues recognized in the consolidated statements of earnings (loss).

(2) Adjusted EBITDA is defined by the Corporation as net earnings (loss) before taxes, amortization, interest, non-recurring items, non-cash amounts such as impairments, losses and gains, and share based compensation. The Corporation also adjusts earnings in joint ventures to reflect EBITDA on those assets which exclude amortization of royalty interests as well as adjusting for any one time items. Adjusted EBITDA is a useful measure of the performance of our business, especially for demonstrating the impact that EBITDA in joint ventures have on the overall business. Adjusted EBITDA identifies the cash generated in a given period that will be available to fund the Corporation's future operations, growth opportunities, shareholder dividends and to service debt obligations.

Reconciliation to IFRS measures

Attributable revenue

$	Three months ended October 31, 2016	July 31, 2016	April 30, 2016	January 31, 2016
Revenue				
Base metals	4,742	3,493	1,689	2,023
Coal	3,858	2,833	3,957	3,212
Potash	778	1,114	1,398	1,490
Other	269	627	119	244
Interest and investment	317	343	302	332
Attributable revenue	**9,964**	**8,410**	**7,465**	**7,301**
Adjust: joint venture revenue	(4,501)	(3,822)	(5,110)	(4,891)
IFRS revenue per consolidated financial statements	5,463	4,588	2,355	2,410

$	Three months ended October 31, 2015	July 31, 2015	April 30, 2015	January 31, 2015
Revenue				
Base metals	2,733	3,208	761	500
Coal	3,819	4,252	3,911	4,462
Potash	1,474	1,793	2,078	1,845
Other	192	165	268	709
Interest and investment	316	366	(37)	67
Attributable revenue	**8,534**	**9,784**	**6,981**	**7,583**
Adjust: joint venture revenue	(5,449)	(6,431)	(6,379)	(6,552)
IFRS revenue per consolidated financial statements	3,085	3,353	602	1,031

Reconciliation to IFRS measures

Adjusted EBITDA (*)	**Three months ended**			
	October 31, 2016	**July 31, 2016**	**April 30, 2016**	**January 31, 2016**
Earnings (loss) before income taxes	630	3,290	(21,550)	(17,644)
Addback(deduct):				
Amortization and depletion	2,931	2,609	2,342	2,494
Exploration and evaluation assets abandoned or impaired	-	-	5,062	2
Share based compensation (share settled)	375	248	188	228
Interest on long-term debt	1,479	3,450	1,260	1,328
Loss (gain) on disposal of investments & impairment recognition	(357)	(5,184)	(506)	5,763
Unrealized (gain) loss on fair value adjustment of derivatives	-	-	-	(129)
Dilution (gain) on issuance of shares by associates	-	-	-	-
Share of loss and impairment in associates	-	-	-	3,780
Loss (earnings) from joint ventures	(3,064)	(2,691)	(3,433)	5,785
LNRLP EBITDA	-	-	-	265
Prairie Royalties EBITDA	4,348	3,755	5,078	4,401
Impairment of goodwill	-	-	16,402	-
Foreign currency loss	444	926	513	-
Adjusted EBITDA	6,786	6,403	5,356	6,273
LNRLP EBITDA				
Revenue	-	-	-	381
Less: mining taxes	-	-	-	(116)
LNRLP Adjusted EBITDA	-	-	-	265
Prairie Royalties EBITDA				
Revenue	4,501	3,822	5,109	4,511
Operating expenses	(153)	(67)	(31)	(110)
Prairie Royalties Adjusted EBITDA	4,348	3,755	5,078	4,401

**updated calculation to reflect segmented reporting in Q1 2017*

Reconciliation to IFRS measures

Adjusted EBITDA (*)	Three months ended			
	October 31, 2015	**July 31, 2015**	**April 30, 2015**	**January 31, 2015**
(Loss) earnings before income taxes	(341)	(1,435)	9,276	(6,120)
Addback(deduct):				
Amortization	1,738	1,836	354	40
Share based compensation	(269)	434	-	-
Exploration and evaluation assets abandoned or impaired	317	342	138	244
Interest on long-term debt	1,405	1,447	2,343	2,378
Loss (gain) on disposal of investments & impairment recognition	(606)	62	(15,636)	(208)
Loss on disposal of subsidiary	-	-	5,839	-
Unrealized (gain) loss on fair value adjustment of derivatives	(219)	-	(435)	574
Dilution (gain) on issuance of shares by associates	-	-	-	(89)
Share of loss and impairment in associates	2,697	590	1,314	6,215
Loss (earnings) from joint ventures	(3,561)	(3,343)	(4,400)	(4,253)
LNRLP EBITDA	279	542	590	359
Prairie Royalties EBITDA	5,035	5,619	5,544	6,060
Adjusted EBITDA	6,475	6,094	4,927	5,200
LNRLP EBITDA				
Revenue	372	677	761	500
Less: mining taxes	(93)	(135)	(153)	(100)
Less: admin charges	-	-	(18)	(41)
LNRLP Adjusted EBITDA	279	542	590	359
Prairie Royalties EBITDA				
Revenue	5,079	5,752	5,623	6,260
Operating expenses	(44)	(133)	(79)	(200)
Prairie Royalties Adjusted EBITDA	5,035	5,619	5,544	6,060

**updated calculation to reflect segmented reporting in Q1 2017*

Appendix 1: Summary of Producing Royalties & Streaming Interests

Mine	Primary Commodity	Operator	Revenue Basis
Chapada	Copper	Yamana Gold	3.7% of payable copper stream
777	Zinc, Copper, Gold & Silver	Hudbay Minerals	4% Net smelter return
Genesee	Coal (Electricity)	Westmoreland/Capital Power Corporation	Tonnes x indexed multiplier
Sheerness	Coal (Electricity)	Westmoreland/ATCO/TransAlta	Tonnes x indexed multiplier
Paintearth	Coal (Electricity)	Westmoreland/ATCO	Tonnes x indexed multiplier
Highvale	Coal (Electricity)	TransAlta	Tonnes x indexed multiplier
Cheviot	Metallurgical Coal	Teck	2.5% effective net revenue
Rocanville	Potash	Potash Corp	Revenue
Cory	Potash	Potash Corp	Revenue
Allan	Potash	Potash Corp	Revenue
Patience Lake	Potash	Potash Corp	Revenue
Esterhazy	Potash	Mosaic	Revenue
Vanscoy	Potash	Agrium	Revenue
Voisey's Bay	Nickel, Copper, Cobalt	Vale	0.3% NSR
CDP	Potash, other	Various	Revenue

Appendix 2: Summary of Exploration and Pre-Development Stage Royalties

PRE-FEASIBILTY/FEASIBILITY

Property	Primary Commodity	Explorer/Developer	Royalty Basis	Status
Gunnison (Arizona)	Copper	Excelsior Mining Corp	1.0% GRR; options to acquire additional 1.0% GRR	Feasibility
Kami - iron ore (Western Labrador)	Iron	Alderon Iron Ore Corp	3% GSR	Feasibility (on hold)
Telkwa – CDP (British Columbia)	Met Coal	Telkwa Coal Limited (TCL)	Up to 1.5% price based sliding scale GSR	Pre-feasibility
Central Mineral Belt - uranium (Central Labrador)	Uranium	Paladin Energy Limited	2% GSR	Feasibility (on hold)

ADVANCED EXPLORATION

Property	Primary Commodity	Explorer/Developer	Royalty Basis	Status
War Baby (Manitoba)	Copper	HudBay Minerals	Possible to earn up to 3% NSR	Advanced exploration
Viking - gold (Western Newfoundland)	Gold	Anaconda Mining Inc.	2% NSR, plus 1-1.5% royalties on surrounding lands	Scoping level

EXPLORATION

Property	Primary Commodity	Explorer/Developer	Royalty Basis	Status
Golden Shears (Nevada)	Gold	Renaissance Gold Inc (JV with Walmer Capital Corp.)	1.5% NSR	Early-stage exploration
Silicon (Nevada)	Gold	Renaissance Gold Inc	1.5% NSR	Early-stage exploration
Alvito (Portugal)	Copper	Avrupa Minerals Ltd	1.5% NSR	Early-stage exploration
Ely Springs/Jupiter (Nevada)	Gold	Kinetic Gold Corp	1.0% NSR	Early-stage exploration
Llano del Nogal (Mexico)	Copper	Evrim Resources Corp	1.5% NSR on PM; 1.0% NSR on BM	Early-stage exploration
Wallbridge Projects (Ontario)	Nickel	Wallbridge Mining Company Ltd	Option to acquire up to 2% NSR	Early-stage exploration
Pine Bay (Manitoba)	Copper	Callinex Mines Ltd	Option to acquire 1% NSR	Early-stage exploration; active

ALTIUS MINERALS CORPORATION

Appendix 2: Summary of Exploration and Pre-Development Stage Royalties

EXPLORATION

Property	Primary Commodity	Explorer/Developer	Royalty Basis	Status
Voyageur Lands (Michigan)	Nickel	Bitterroot Resources Ltd.	2% NSR	Early-stage exploration; active
Loro en el Hombro, Morsas, and Culebra projects (Chile)	Copper	Revelo Resources Corp.	0.98% NSR on gold, 0.49% NSR on base metals	Early-stage exploration; active
Fox River (Manitoba)	Copper	Callinex Mines Ltd	Option to acquire 1% NSR	Early-stage exploration; inactive
Herblet Lake (Manitoba)	Copper	Callinex Mines Ltd	Option to acquire 1.25% NSR	Early-stage exploration; inactive
Island Lake (Manitoba)	Copper	Callinex Mines Ltd	Option to acquire 1% NSR	Early-stage exploration; inactive
Pine Lake (Manitoba)	Copper	Callinex Mines Ltd	Option to acquire 1% NSR	Early-stage exploration; inactive
Copper Range (Michigan)	Copper	Bitterroot Resources Ltd.	Option to acquire 1% NSR held by a third party	Early-stage exploration; active
Storm Claim Group (Quebec)	Nickel	Northern Shield Resources Inc	Options to acquire 1% royalty on any one project in claim group	Early-stage exploration; inactive
Coles Creek (Manitoba)	Copper	Callinex Mines Ltd	Option to acquire 2.5% NSR	Early-Stage Exploration; inactive
Moak and Norris Lake (Manitoba)	Copper	Callinex Mines Ltd	Option to acquire 1% NSR	Early-stage exploration; inactive
Gurney Gold Claims (Manitoba)	Copper	Callinex Mines Ltd	Option to acquire 1% NSR	Early-stage exploration; inactive
Gurney Gold Claims (Manitoba)	Gold	Callinex Mines Ltd	Option to acquire 1% NSR	Early-stage exploration; inactive

Appendix 2: Summary of Exploration and Pre-Development Stage Royalties

EXPLORATION

Property	Primary Commodity	Explorer/Developer	Royalty Basis	Status
Shrule Block, Kingscourt Block, West Cork Block (Republic of Ireland)	Zinc/ Copper	Adventus Exploration Ltd. (Kingscourt JV'd with Teck Ireland Ltd.)	2% NSR on each Block	Exploration
Various Copper-gold-molybdenum targets (Alaska)	Copper	Millrock and various partners	2% NSR on gold; 1% NSR on base metals	Exploration
Sheerness West - CDP (Alberta)	Thermal Coal	Westmoreland Coal Company	Tonnes x indexed multiplier	Exploration phase
Labrador West - iron ore (Western Labrador)	Iron	Rio Tinto Exploration Inc.	3% GSR	Exploration; inactive
Wilding Lake (Newfoundland)	Gold	Northwest Arm Capital Inc.	2% NSR with option to purchase up to 1.5%	Exploration
Iron Horse (Western Labrador)	Iron	Sokoman Iron Corp	1% GSR; option to acquire additional 1.1% GSR	Exploration; inactive