



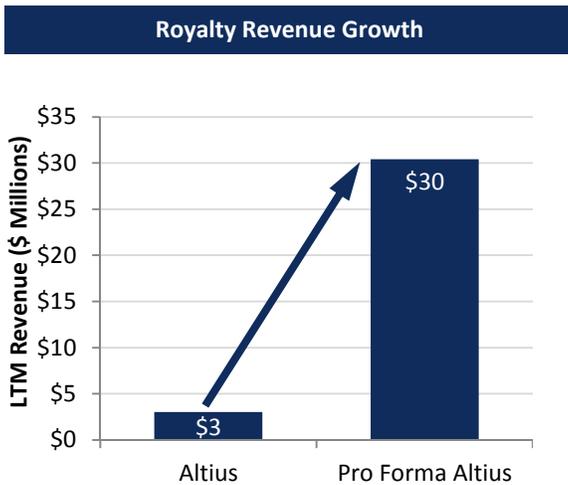
**DEAR FELLOW SHAREHOLDER,**

We have completed our transformation into a diversified minerals royalty company. We thank you for your great patience and support over the past few years while we searched for an opportunity such as the one we have announced today. This acquisition of 11 producing Canadian mine royalties (“PMRL”) and extensive undeveloped resource lands (“CDP”) makes an ideal strategic complement to the other royalty assets that we have been assembling over the past 17 years.

Since even before the acquisition of the Voisey’s Bay royalty 10 years ago, your board and management have been steering Altius towards a long-term goal of becoming a significant royalty company that provides shareholders with a solid platform of sustainability and growth. The acquired royalties and lands support this goal by providing a perfect complement to our pipeline of existing royalties and our continued core commitment to low-cost project generation and royalty creation.

**ACQUISITION RATIONALE**

Our royalty revenues have grown dramatically from ~\$3 million per annum to ~\$30 million, about \$1 per share, with this acquisition.



The royalty revenue that Altius receives will be received for a very long time; several generations in fact. We are deeply attracted to long-term sustainable revenue that does not require sustaining investment.

We still fully benefit from potential production and revenue growth without having to pay a single dollar of operational or capital investment costs at the mines.

The price Altius has paid for this portfolio of royalty assets is a fair one and substantially lower than the implied multiple of price to anticipated royalty revenue typical of traded royalty businesses in the current global market. More importantly though, the price is well below what we believe to be the fundamental and strategic value to Altius. We believe that your company now owns the best portfolio of diversified minerals royalties available within the sector.

Our 12 paying mine royalties bring diversity and stability to Altius. A significant amount of the future royalty revenue is protected from commodity price risk and much of it is indexed to Canada’s GDP inflation rate. The operators are all considered top-tier in the mining sector and the products they produce will stay in long-term demand. Thermal coal and copper mean electricity, potash means food, met coal, iron ore and nickel make steel; all meaning that these are royalties on products that are fundamental to both the developed as well as the developing world.

**Our Royalty Partners**



**ROYALTY GROWTH**

Altius remains fully committed to the business of project generation. The low cost royalties that Altius knows how to create through project generation are a key strategic advantage that we bring to the royalty company investment sector. Project generation is royalty creation at Altius.

What makes Altius unique in the royalty sector is its ability to not just buy royalties, but to also create them. Our project generation business results in new royalties and periodic profits so it actually facilitates both paths.

We have a solid pipeline of royalties and royalties-yet-to-be on projects that were created through low-cost exploration efforts. A secondary benefit that we expect to receive through the current transaction is heightened investor visibility regarding the potential of these existing royalties.



Currently, the most prominent of these is our Kami royalty, which was carved out when Altius co-founded Alderon Iron Ore. Altius first staked the Kami exploration property in 2004. It is expected to commence mine production two years from now and based upon the Kami Feasibility Study could pay Altius ~\$25million per annum for 30 years. Altius' project generation costs at Kami were \$2.2 million while today it also holds more than \$50 million in Alderon spin-out shares.

We consider royalty creation of this type to be a very repeatable and a core element of Altius' long-term growth strategy. Identified project generation opportunities were a key attraction of the CDP portion of the present acquisition. CDP includes more than 9,000 square kilometers of mineral land holdings, much of which represents likely extensions of mineral deposits presently being mined, and other undeveloped mineral resource lands from which we see the opportunity to generate new royalties, project joint ventures and/or spin out companies in accordance with our proven track record in this area.

## LOOKING AHEAD

Altius has maintained an excellent capital structure throughout its history and this has been bolstered over the past five years by share buybacks totaling ~13.6%. We can now also begin to consider other means of returning capital to our shareholders. Our first task however is to properly analyze the various options available to us to reduce and eliminate the debt incurred in relation to this important acquisition.

In conclusion, Altius has become a significant global minerals royalty business. This was not accomplished through any one acquisition, but through 17 years of building. We feel that Altius now offers you, its shareholders, the very best combination of substantial revenue scale, longevity, diversity and low-cost growth available within the minerals royalty sector today.

We thank you again for your continued support and look forward to continuing to work to try and make each and every Altius share more valuable to you in the future. We also thank you for the opportunity you give us to have fun working for a company that we all feel very proud to be part of.

Sincerely,

A handwritten signature in blue ink, appearing to read "BD" with a checkmark.

Brian Dalton, President and CEO,  
on behalf of the management and Board of Directors of  
Altius Minerals Corporation



### For Additional Information:

Chad Wells  
VP Corporate Development

Toll Free: 1-877-576-2209  
cwells@altiusminerals.com  
www.altiusminerals.com