Ridgeline Royalties Completes First Transaction with Acquisition of Royalty on Allkem's James Bay Lithium Project

Denver, Colorado

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Ridgeline Royalties Inc. ("Ridgeline" or the "Company") is pleased to announce that it has completed the acquisition of a 0.75% net smelter return royalty ("NSR") on the James Bay Lithium project ("James Bay" or "the Project") in Quebec. James Bay is a spodumene-hosted lithium project owned by Allkem Limited (ASX:AKE) located 100 km east of James Bay and the Eastmain Cree Community in Quebec and is expected to start construction in the coming months.

Highlights of the transaction:

- Exposure to a top-5 global lithium producer (Allkem) in one of the most favorable mining jurisdictions (Quebec) in the world.
- Near-term cash-generative royalty on a low-cost, high-grade asset that is anticipated to commence construction in H1 2023.
- Royalty covers the early, highest-grade mining phases of the planned operation and is expected to generate royalty cash flow for Ridgeline almost immediately once production begins.

"I'm delighted to close our inaugural transaction with the NSR acquisition on the James Bay project," said Jonathan Beigle, Ridgeline's President and Chief Executive Officer. "Not only is this one of the premier lithium projects in Quebec, a world-class mining jurisdiction, it is also being developed by one of the largest and best-managed lithium companies globally. This royalty will lay the foundation for future growth for Ridgeline as we look to execute on our robust pipeline of royalty and stream opportunities."

James Bay received its federal approval from the government of Canada on January 16, 2023, and it is anticipated to commence construction activities once the remaining operational permits are received – positioning the asset to achieve first production in the second half of 2024. According to Allkem's definitive feasibility study ("DFS") dated January 11, 2022, the project is expected to produce an average of ~330kpta of spodumene concentrate over a project life of 19 years. According to the DFS, James Bay contains proven and probable lithium reserves of 37.2 million tonnes at a grade of 1.30% Li_2O.

The James Bay NSR is being acquired from a private party. According to an independent, third-party consultant, the royalty claims capture more than 40% of the James Bay reserves. The original James Bay NSR agreement includes a buydown provision to reduce the NSR from 0.75% to 0.5% in exchange for a C$250,000 payment from Allkem. Ridgeline expects to receive this payment shortly after the closing of the transaction.

Global adoption of electric vehicles and subsequently the critical minerals that comprise EV batteries are set to triple by the end of this decade, and Ridgeline was founded to provide royalty and stream financing for the necessary development of lithium, cobalt, graphite, nickel and other high-demand critical minerals. Ridgeline is focused on becoming the partner of choice for critical mineral developers around the world and is dedicated to developing the world's largest, and most valued, royalty and streaming company focused on battery metals.

About Ridgeline Royalties Inc.

Ridgeline Royalties Inc. is a private royalty company founded in 2020 to be the leading source of royalty and stream financing for miners that supply the clean energy value chain. Ridgeline enables producers of lithium, cobalt, graphite, nickel, and other critical minerals that support the growth of clean energy and to ensure that the supply of these critical commodities is sufficient to meet the world's needs. Ridgeline has assembled a world-class Advisory Board of senior leaders from some of the largest mining and royalty companies in the world in order to establish the company as the go-to source for financing in the critical minerals sector.

Forward Looking Statements:

Forward-looking statements are based on current expectations, estimates and assumptions that involve a number of risks and uncertainties that could cause actual results to differ materially from those projected. The risks and uncertainties that could cause actual results to differ materially from those in forward looking statements include, without limitation: a lower-price environment for lithium or other metals; operating activities or financial performance of properties on which we hold stream or royalty interests, including variations between actual and forecasted performance, operators' ability to complete projects on schedule and as planned, changes to mine plans and reserves, liquidity needs, mining and environmental hazards, labor disputes, distribution and supply chain disruptions, permitting and licensing issues, contractual issues involving our stream or royalty agreements, or operational disruptions; risks associated with doing business in foreign countries; increased competition for stream and royalty interests; availability of other forms of financing for operating parties; adverse economic and market conditions; changes in laws or regulations governing us, operators or operating properties; inflation; changes in interest rates; changes in management and key employees; inability to access sufficient experienced and trained personnel; environmental risks, including those caused by climate change; potential cyber-attacks, including ransomware; our ability to identify, finance, value and complete acquisitions; the risk of litigation related to an acquisition; the diversion of management time from ongoing business operations due to acquisition-related issues; public health crises, such as pandemics and epidemics, and any related government policies and actions. Other unpredictable or unknown factors not discussed in this press release could also have material adverse effects on forward looking statements. Most of these factors are beyond our ability to predict or control. Forward-looking statements speak only as of the date on which they are made. We disclaim any obligation to update any forward-looking statements, except as required by law. Readers are cautioned not to put undue reliance on forward-looking statements.