NEWS RELEASE

Toronto, March 06, 2024
(in thousands of U.S. dollars unless otherwise noted)

Lithium Royalty Corp. Acquires Third Royalty in Brazil

- LRC purchases 1.5% royalty in Brazil for $1.5 million from M4E Lithium Ltda.
- LRC brings total number of royalties to 35, from 26 at time of the 2023 IPO
- M4E is LRC's third royalty in Brazil, a jurisdiction which has become a leading lithium producer in the Americas

Lithium Royalty Corp. (TSX: LIRC) ("LRC") has entered into an agreement to acquire a newly created 1.5% gross overriding revenue (GOR) royalty on the land claims held by M4E Lithium Ltda. ("M4E"), a private lithium explorer focused on Brazilian hard rock lithium deposits. The land claims are positioned across Brazil in known lithium and pegmatite districts such as Minas Gerais, Borborema, Ceara and Tocantins.

"As a function of its large-scale, high grade, and coarse-grained ore bodies, coupled with significant speed to market advantages, Brazil has quickly become the leading spodumene producer in the Americas. LRC has been an early and consistent supporter of the most prospective lithium projects in the country, having partnered with Sigma Lithium in 2018 and Atlas Lithium in 2023. We are excited to continue our investments in the country, as M4E boasts one of the largest exploration packages in Brazil with over 91,000 hectares in key lithium-rich locations, with confirmed occurrences of spodumene in multiple areas," said Ernie Ortiz, President and CEO of Lithium Royalty Corp.

"This partnership with LRC is a game-changer for M4E," said Sergio Castanho, CEO of M4E. "We have the assets, the team, and now the capital to aggressively explore and develop our lithium resource. LRC's investment and expertise will be instrumental in accelerating our progress and creating significant value for all stakeholders."

Investment Highlights

M4E is an Emerging Lithium Explorer: M4E holds one of the largest lithium exploration packages in Brazil, covering over 91,000 hectares across the Lithium Valley in Minas Gerais, Borborema, Ceara and Tocantins region. Early exploration has confirmed the presence of spodumene, a key lithium-bearing mineral, in multiple areas. M4E has attractive land positions in Minas Gerais in the vicinity of Sigma Lithium (currently in production) and Atlas Lithium (expected production 4Q24). At Borborema, the region hosts several historical tantalum and feldspar mines, with artisanal mining of spodumene in certain cases. M4E has already done exploratory drilling in a few prospects and confirmed several lithium-bearing pegmatites. It has confirmed spodumene to date in five of its targets. Rock chip samples at some of the properties have returned spodumene with lithium oxide (Li_2O) values as high as 6.72%.

LRC Funding to Expedite Exploration: M4E aims to continue drilling activities by the end of 2Q24, with a plan to drill approximately 15,000 meters this year on its three key targets that have shown confirmed spodumene.

M4E will also continue mapping additional early-stage targets with more than 100 pegmatites initially mapped in its area, to build a robust pipeline of potential lithium deposits. Depending on drill results, M4E expects to advance quickly towards development and announce a Preliminary Mineral Resource by mid-2025.

M4E to Benefit from Local Brazilian Expertise: M4E currently has 25 employees, with the majority comprising of geologists and technical experts with both lithium and Brazilian exploration experience. CEO Sergio Castanho, has over 20 years of mining experience, having previously held leadership roles at Anglo American and Aura Minerals. Field geologists on the M4E team have experience at AngloGold, Yamana Gold, Vale, and Jaguar. LRC believes M4E is well positioned to capitalize on the fast-growing Brazilian lithium sector.

Brazil to Continue to Expand its Leading Position in Lithium: Brazil is currently the largest hard rock lithium producer in the Americas, with three producers of spodumene concentrate. Atlas Lithium is also guiding to commencing production in 4Q24, further expanding Brazilian spodumene output. Brazil's speed to market is unparalleled in the Western world, with a permitting regime that is robust yet timely. All three of the major exploration projects in Minas Gerais have received priority review to expedite permitting, validating Brazil's pro-lithium support. Brazilian lithium deposits, thus far, are in pro-mining jurisdictions and the geological makeup of high-grade, coarse-grained ore bodies allows for processing that is less reagent-intensive and chemical-intensive, allowing for a less environmentally intrusive operation. This should allow M4E to progress from explorer to developer in short order.

Transaction Details

LRC to acquire a 1.5% GOR royalty on the land claims held by M4E for consideration of $1.5 million at closing and $2 million upon achieving 10 million tonnes (Mt) of measured and indicated resource on or before December 31, 2025. The consideration for the royalty acquisition has been funded by LRC entirely from cash on hand.

Important Dates and Events

- March 27, 2024 – Q4 2023 results released
- March 28, 2024 – Q4 2023 earnings call. Click here for call details

About Lithium Royalty Corp.

LRC is a lithium-focused royalty company with a globally diversified portfolio of 35 revenue royalties on mineral properties around the world that supply and are expected to supply raw materials to support the electrification of transportation and decarbonization of the global economy. Our portfolio is focused on high-grade and low-cost mineral projects that are primarily located in Australia, Canada, South America and the United States. LRC is a signatory to the Principles for Responsible Investment; the integration of ESG factors and sustainable mining are considerations in our investment analysis and royalty acquisitions.

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, including statements with regard to the potential expected from the royalty acquired from M4E Lithium Ltda. ("M4E"). Forward-looking information involves known and unknown risks and uncertainties, many of which are beyond our control, that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, those described under "Risk Factors" in

LRC's Annual Information Form dated March 31, 2023, and in particular risks summarized under the "Risks Related to Mining Operations" heading. Forward-looking information is based on management's beliefs and assumptions and on information currently available to management. These assumptions include, but are not limited to, the following: estimates of commodity prices, particularly lithium-related products; the accuracy of disclosures made by M4E as the owner, developer and operator of any lithium project based on the mining rights underlying the royalty acquired by LRC, including with respect to potential mineral resources, potential mineral reserves, construction timelines, production estimates and other related matters. Although the forward-looking information contained in this news release is based upon what management believes are reasonable assumptions, you are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained in this news release is provided as of the date of this news release, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

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