

ELEMENTAL ROYALTIES BOARD INTENDS TO RECOMMEND REJECTION OF GOLD ROYALTY CORP PROPOSED UNSOLICITED ALL-SHARE TAKEOVER BID

December 23, 2021 - Vancouver, BC: Elemental Royalties Corp. (TSXV: ELE, OTCQX: ELEMF) ("**Elemental**" or "the **Company**") today announced that after having received advice from its financial and legal advisors, the Board of Directors of Elemental (the "**Board**") intends to recommend that shareholders reject an unsolicited all-share takeover bid from Gold Royalty Corp. ("**Gold Royalty**") if and when the bid commences, assuming the terms are as proposed by Gold Royalty in its December 20, 2021 announced intention (the "**Gold Royalty Intention**").

The Board, following a meeting on December 22 and after discussions with certain shareholders, described the Gold Royalty Intention as opportunistic in timing and advised shareholders that the Board carefully reviewed and rejected a prior private non-binding all-share unsolicited proposal (the "**Prior Proposal**") from Gold Royalty on terms similar to the Gold Royalty Intention valuing Elemental at C\$1.78 per share.

Elemental intends to continue business as usual in pursuing royalty opportunities. At the same time, the Board will review alternative strategic options that might represent more compelling value to shareholders than either the Gold Royalty Intention or continuing as an independent business. Elemental cautions shareholders that there can be no certainty of a takeover transaction. Elemental continues to advise shareholders to take no action with regard to the Gold Royalty Intention.

Advisors

The Company has engaged Canaccord Genuity Corp. as its sole financial advisor and Fasken Martineau DuMoulin LLP as legal advisor to the Company and its Board. Longview Communications and Public Affairs is engaged as communications advisor to the Company.

On behalf of Elemental Royalties Corp.

Frederick Bell

CEO and Director

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Elemental is a proud member of Discovery Group. For more information please visit:

www.discoverygroup.ca or contact 604-653-9464.

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About Elemental Royalties

Elemental is a gold-focused royalty company listed on the TSX-V in Canada and provides investors with lower risk precious metals exposure through a portfolio of nine high-quality royalties. This enables investors to benefit from ongoing royalty revenue, future exploration upside and low operating costs. Elemental's experienced team seeks to secure royalties in advanced precious metals projects, run by established operators, from its pipeline of identified opportunities.

Neither the TSX Venture Exchange (the “TSX-V”) nor its Regulation Service Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this press release.

Cautionary note regarding forward-looking statements

This release contains certain “forward looking statements” and certain “forward-looking information” as defined under applicable Canadian securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology (including negative and grammatical variations).

Forward-looking statements and information include, but are not limited to, statements with respect to the future growth, development and business plans of the Company, whether a formal offer will be made by Gold Royalty, whether a take-over or other transaction will occur, and the delivery by the Company of superior value for shareholders. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Elemental to control or predict, that may cause Elemental’s actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to: the requirement for regulatory approvals and third party consents, the impact of general business and economic conditions, the absence of control over the mining operations from which Elemental will receive royalties, including risks related to international operations, government relations and environmental regulation, the inherent risks involved in the exploration and development of mineral properties; the uncertainties involved in interpreting exploration data; the potential for delays in exploration or development activities; the geology, grade and continuity of mineral deposits; the impact of the COVID-19 pandemic; the possibility that future exploration, development or mining results will not be consistent with Elemental’s expectations; accidents, equipment breakdowns, title matters, labour disputes or other unanticipated difficulties or interruptions in operations; fluctuating metal prices; unanticipated costs and expenses; uncertainties relating to the availability and costs of financing needed in the future; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; currency fluctuations; regulatory restrictions, including environmental regulatory restrictions; liability, competition, loss of key employees and other related risks and uncertainties. Elemental undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management’s best judgment based on information currently available. No forward-looking statement can be guaranteed, and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.