

NEWS RELEASE



Star Royalties Reports Q1 2022 Financial Results

May 30, 2022, TORONTO, ON – Star Royalties Ltd. (“Star Royalties”, or the “Company”) (TSXV: STRR, OTCQX: STRFF) is pleased to report its financial results for the quarter ended March 31, 2022. All amounts are in U.S. dollars unless otherwise indicated.

Alex Pernin, Chief Executive Officer of Star Royalties, commented: “During the first quarter of 2022, Elk Gold Mine commenced production, while our Keysbrook royalty continued to outperform and exceed our cash flow expectations. We announced a strategic investment from Agnico Eagle, a gold mining giant and a global ESG leader, into our pure-green subsidiary, Green Star. This allowed us to immediately pursue a fourfold expansion of our flagship regenerative agriculture royalty in partnership with Bluesource, North America’s largest and most reputable carbon offset developer and marketer. We look forward to continuing the momentum into what should be a catalyst-full 2022.”

Q1 2022 Corporate and Financial Highlights

- Quarterly revenue increased 47% over the prior-year period
- Elk Gold Mine commenced ore production and delivery to New Gold’s New Afton processing plant
- Green Star expanded its existing carbon offset credit royalty on the Elizabeth Metis Settlement Forest
- Green Star acquired a royalty on diesel displacement company, MOBISMART
- Star Royalties announced a strategic investment by Agnico Eagle into Green Star

Summary of Q1 2022 Financial Results

| | Quarter ended March 31, 2022 | Quarter ended March 31, 2021 |
|-------------------------------------|------------------------------------|------------------------------------|
| Revenue | \$ 215,361 | \$ 146,072 |
| Net loss | (706,393) | (974,872) |
| Basic and diluted loss per share | (0.01) | (0.02) |
| Cash flow from operating activities | (564,625) | (500,758) |
| Cash flow from investing activities | (722,078) | (6,008,911) |
| Cash flow from financing activities | - | 19,526,719 |

For complete details, please refer to the Condensed Interim Consolidated Financial Statements and associated Management Discussion and Analysis for the three months ended March 31, 2022, available on SEDAR at [sedar.com](https://www.sedar.com) or on the

Company's website at starroyalties.com.

Corporate Developments

On March 31, 2022, the Company announced a non-brokered private placement of 15,384,620 shares of its subsidiary Green Star Royalties Ltd. ("**Green Star**"), at a price of CAD\$1.00 per Green Star class A share for total gross proceeds of CAD\$15,384,620. The transaction closed on May 30, 2022, and Green Star is now owned 61.9% by the Company, 35% by Agnico Eagle Mines Limited ("**Agnico Eagle**") (TSX, NYSE: AEM) and 3.1% by the Company's management team and Board of Directors.

Significant Portfolio Updates

Elk Gold Project

On February 3, 2022, Gold Mountain Mining Corp. ("**Gold Mountain**") (TSX: GMTN, OTCQB: GMTNF, FRA: 5XFA) announced that it had completed its first delivery of ore to New Gold Inc.'s ("**New Gold**") (TSX, NYSE American: NGD) New Afton processing plant. Under its ore purchase agreement, Gold Mountain will deliver to New Gold 70,000 tonnes of high-grade ore per annum in years 1 to 3 and then up to 350,000 tonnes per annum in years 4 to 11. The metal payable split from the ore purchase agreement is 89% to Gold Mountain and 11% to New Gold.

On February 15, 2022, Gold Mountain announced the discovery of a new high-grade gold system in the Elusive Zone, located 5km southwest of the Siwash North mineral resource. The diamond drill intercepts, including hole SND21-051 with 2.07m grading 51.15 g/t Au, confirmed the presence of multiple high-grade zones.

On March 22, 2022, Gold Mountain announced that it had received payment for its first month of ore delivery to New Gold.

On April 21, 2022, Gold Mountain announced the closing of its bought deal public offering for aggregate gross proceeds of C\$18.5 million.

Copperstone Gold Project

On April 28, 2022, Sabre Gold Mines Corp. ("**Sabre Gold**") (TSX:SGLD, OTCQB: SGLDF) announced that Mike Maslowski had been appointed Vice President, Chief Operating Officer. Mr. Maslowski is a geological engineer with a career spanning more than 40 years of varied experience in resource exploration and management of mining operations in diverse parts of the world.

Sabre Gold also provided an update on the financing and status of its Copperstone project. Progress continues to advance on discussions with potential lenders. The plant layout and flowsheets with associated capital and operating cost estimates had been completed, while detailed engineering was estimated at 70% completion, and metallurgical testing was in final stages. All capital and operating expenses were reviewed by way of further detailed engineering and have been incorporated into an updated discounted cash flow model. The mine plan indicates annual production of

approximately 40,000 to 45,000 ounces per annum with favourable economics, and includes future expected conversion of additional resources based on the open extent nature of both the Copperstone and Footwall zones.

Green Star Developments

Regenerative Agriculture Carbon Program

On April 11, 2022, Green Star announced a fourfold expansion of its agreement with Blue Source, LLC (“**Bluesource**”), to create premium, verified carbon offset credits that will reward the adoption of regenerative agriculture practices by North American farmers. Under the amended agreement, Green Star will be financing a regenerative agriculture carbon program for a total contribution of \$20.6 million in cash. These funds will be available to growers through Locus Agricultural Solutions’ (“**Locus AG**”) CarbonNOW® program and Locus AG will be recruiting growers under this project until a total of 1,320,000 acres of farmland across the United States have been adopted into the program. Green Star expects to generate cash flow equivalent to over 200,000 attributable carbon offset credits in 2024, and increasing to over 400,000 attributable carbon offset credits per annum starting in 2025. Initial funding of \$5 million is expected to commence in the second quarter of 2022, with the remaining \$15,625,000 to be invested in 2023.

Green Star Focus and Outlook

Management is committed to funding sustainable environmental solutions for a carbon neutral economy and continues to view ESG-related investments as a highly scalable business model with attractive returns. The Company’s innovative green royalty model, numerous origination opportunities, and the superior potential returns, have led to the creation of its Green Star subsidiary in October 2021, with the sole purpose to accelerate the growth of its green portfolio.

A more rapid build-out of the green investment strategy through Green Star has allowed the Company to maximize its strong relationships and first-mover advantage in carbon offset credit and ESG-related investments. Since its creation, Green Star has actively expanded its royalty portfolio and increased market awareness through:

- Creation of a regenerative agriculture carbon program with Bluesource and Locus AG in December 2021;
- Threefold expansion of its existing carbon offset credit royalty on the Elizabeth Metis Settlement Forest in January 2022;
- Acquisition of a royalty on diesel displacement technology company, MOBISMART, in January 2022;
- Announcement of a strategic investment by Agnico Eagle in March 2022;
- Fourfold expansion of its flagship regenerative agriculture program in April 2022.

With the closing of the private placement, Green Star’s strategic relationship with Agnico Eagle and partnership with Bluesource uniquely position it to become a quality leader in creating premium carbon offset credits from North American nature-based

carbon projects. Green Star will continue to originate projects with a fundamental focus on structural alignment with its stakeholders, as demonstrated by its existing First Nations, Indigenous, and farming community partners.

Star Royalties' current vision is to continue using existing management and infrastructure to grow Green Star at a minimal cost as a private subsidiary and, subject to market conditions, unlock additional value when an appropriate public market valuation is achieved.

CONTACT INFORMATION

For more information, please visit our website at starroyalties.com or contact:

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ABOUT STAR ROYALTIES LTD.

Star Royalties Ltd. is a precious metals and carbon credit royalty and streaming company. The Company created the world's first carbon negative gold royalty platform through its pure-green subsidiary, Green Star Royalties, and offers investors exposure to precious metals and carbon credit prices with an increasingly negative carbon footprint. The Company's objective is to provide wealth creation by originating accretive transactions with superior alignment to both counterparties and shareholders.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this news release may constitute "forward-looking statements", including those regarding future market conditions for metals, minerals and carbon offset credits. Forward-looking statements are statements that address or discuss activities, events or developments that the Company expects or anticipates may occur in the future. When used in this news release, words such as "estimates", "expects", "plans", "anticipates", "will", "believes", "intends" "should", "could", "may" and other similar terminology are intended to identify such forward-looking statements. Forward-looking statements are made based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performances or achievements of Star Royalties and Green Star to be materially different from future results, performances or achievements expressed or implied by such statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results, performances or achievements to differ materially from such forward-looking statements, including, without limitation, changes in business plans and strategies, market conditions, ongoing market disruptions caused by the Ukraine and Russian conflict, metal and mineral commodity price volatility, discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries, mining operation and development risks relating to the parties which produce the metals and minerals Star Royalties will purchase or from which it will receive royalty payments, carbon pricing and carbon tax legislation and regulations, risks inherent to the development of the ESG-related investments and the creation, marketability and sale of carbon offset credits by the parties, the potential value of mandatory and voluntary carbon markets and carbon offset credits, including carbon offsets, risks inherent to royalty companies, title and permitting matters, operation and development risks relating to the parties which develop, market and sell the carbon offset credits from which Green Star will receive royalty payments, regulatory restrictions, activities by governmental authorities (including changes in taxation), currency fluctuations, the global, federal and provincial social and economic climate in particular with respect to addressing and reducing global warming, natural disasters and global pandemics, dilution, the market ability of Green Star to undertake a go-public transaction in the future, the nature of the governance rights between Star Royalties and Agnico Eagle in the operation and management of Green Star and competition. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should exercise caution in relying upon forward-looking statements and the Company undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.