



News Release

Star Royalties Highlights Preliminary Economic Assessment at Sabre Gold's Copperstone Gold Mine

June 29, 2023, TORONTO, ON – Star Royalties Ltd. (“**Star Royalties**”, or the “**Company**”) (TSXV: STRR, OTCQX: STRFF) is pleased to highlight the results of a Preliminary Economic Assessment (“**PEA**”) on the Copperstone Gold Mine, announced by Sabre Gold Mines Corp. (“**Sabre Gold**”) (TSX: SGLD, OTCQB:SGLDF) on June 20, 2023.

All amounts are in U.S. dollars, unless otherwise indicated.

PEA Highlights

- Robust post-tax economics result in a base case (\$1,800/oz gold) after-tax IRR of 50.3%, low initial capital of \$36 million and benefit from significant tax assets as well as recently reduced royalty encumbrance.
- PEA supports a high-grade gold underground mining operation with an average annual production of 40,765 ounces gold over a 5.5-year mine life with an all-in sustaining cost of \$1,290/oz gold.
- Sabre Gold will continue to have discussions with potential providers of initial construction capital while earthworks are expected to commence as soon as a formal construction decision is made.
- PEA mine plan prioritizes high-grade portions of the resource in early years to result in a payback period of less than two years, while generating nearly \$90 million in after-tax cumulative undiscounted cash flow.

Kevin MacLean, Chief Investment Officer of Star Royalties, commented: “We are pleased to see the results of Copperstone’s PEA. While the project’s timing has been behind our expectations, we are encouraged by recent developments. This includes a non-core asset sale for \$7 million, debt reduction and the buyback of a 3% royalty on the property. The fully-permitted project’s robust IRR even at the base case scenario of \$1,800/oz gold demonstrates the rationale of our investment into this project. To maintain these robust project economics, Star Royalties and Sabre Gold have agreed to forego the third \$6 million tranche of Star Royalties’ stream investment as originally contemplated, with a corresponding 1/3 decrease in its originally proposed gold entitlement under the stream. This will provide Sabre Gold greater flexibility to include other forms of financing in its construction capital. We look forward to seeing a concrete pathway to bring this promising asset to production.”

Base Case Financial Results

	Base Case \$1,800/oz Gold	Valuation Sensitivity at \$2,000/oz Gold
After-tax NPV (5%)	\$61.2 M	\$88.7 M
After-tax IRR	50.3%	71.0%
Payback period	1.8 years	1.3 years
Initial capital	\$36.3 M	\$36.3 M
Sustaining capital	\$52.1 M	\$52.1 M
LOM cash cost per ounce gold payable	\$1,016	\$1,036
LOM all-in sustaining cost per ounce gold payable (“AISC”)	\$1,290	\$1,310
Pre-tax cumulative undiscounted free cash flow	\$88.8 M	\$130.1 M
After-tax cumulative undiscounted free cash flow	\$85.9 M	\$120.8 M

Source: <https://www.sabre.gold/sabre-gold-announces-preliminary-economic-assessment>

Capital and Operating Costs

Under the PEA, the initial capital cost of Copperstone is \$36.3 million, to be incurred over a 14-month period post-financing, and includes construction and ramp up to full production. Sustaining capital over the life of mine is estimated at \$52.1 million, with over 60% spent in operating years 1-3 for the underground mine development and tailings management facilities.

Operating Costs	\$/oz Gold	\$/t Ore
Mining	\$512.88	\$105.58
Processing	\$253.69	\$52.23
Site G&A	\$85.05	\$17.52
Transportation and refining	\$12.84	\$2.65
CASH OPERATING COSTS	\$864.46	\$177.98
Royalties and stream	\$143.10	\$29.46
Production taxes	\$8.76	\$1.81
TOTAL CASH COSTS	\$1,016.32	\$209.25
Reclamation	\$5.26	\$1.08
Sustaining capital	\$286.65	\$55.30
ALL-IN SUSTAINING COSTS	\$1290.33	\$265.63

Source: <https://www.sabre.gold/sabre-gold-announces-preliminary-economic-assessment>

CONTACT INFORMATION

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ABOUT STAR ROYALTIES LTD.

Star Royalties Ltd. is a precious metals and carbon credit royalty and streaming company. The Company innovated the world's first carbon credit royalties in forestry and regenerative agriculture through its majority-owned, pure-green joint venture, Green Star Royalties Ltd., and offers investors exposure to precious metals and carbon credit prices. The Company's objective is to provide wealth creation by originating accretive transactions with superior alignment to both counterparties and shareholders.

STATEMENT REGARDING THIRD-PARTY INFORMATION

Certain disclosures herein relating to Sabre Gold and the Copperstone Gold Mine are based on information publicly disclosed by Sabre Gold and information available in the public domain as at the date hereof. Star Royalties does not independently prepare or verify this information and does not have access to the property or sufficient data to do so, and refers the reader to the PEA announcement dated June 20, 2023 posted by Sabre Gold on SEDAR or at <https://www.sabre.gold/sabre-gold-announces-preliminary-economic-assessment> for further details related to the Copperstone Gold Mine.

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 and minerals. 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 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 and capital finance conditions, metal and mineral commodity price volatility, discrepancies between actual and estimated results of the PEA, 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 stream deliveries or royalty payments, risks inherent to the development of the ESG-related investments and the creation, risks inherent to streaming and royalty companies, title and permitting matters, 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, and natural disasters and global pandemics.

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.