Gold Royalty Corp. Signs Deal for Seguela Royalty

Gold Royalty Corp. (NYSE: GROY)

Announced it has entered into an agreement to acquire a 1.2% net smelter return royalty on the Séguéla Gold Project located in Côte d'Ivoire.

Seguela is owned by Roxgold (ROX.TO) and the vendor of the NSR is ASX listed Apollo Consolidated. Interestingly, both companies are on our watchlist.

Gold Royalty Corp.	NYSE: GROY
Stage	Royalty
Metals	Gold
Market cap	US$ 194 @ US$4.76
Location	Americas, W. Africa.

Gold Royalty Corp. Signs first deal for Seguela royalty

VANCOUVER, BC, March 17, 2021 – Gold Royalty Corp. (the

“Company” or “GRC”) (NYSE American: GROY) is pleased to announce it has entered into an agreement to acquire a 1.2% net smelter return (“NSR”) royalty on the Séguéla Project located in Côte d’Ivoire (the “Agreement”).

Seguela is owned by Roxgold (ROXG.TO) and the vendor of the NSR is ASX listed Apollo Consolidated (ASX: AOP). Interestingly, both companies are on our watchlist.

Highlights

- Gold Royalty Corp. (GRC) has agreed to a acquire a 1.2% net smelter royalty (“NSR“) royalty on the advanced-stage Séguéla Project for cash consideration of approximately US$15.5 million subject to certain conditions.
- The transaction further diversifies and enhances GRC’s royalty portfolio by adding an advanced-stage gold project located in Côte d’Ivoire and operated by Roxgold Inc. , a producer with experience advancing projects into production in the region.
- Gold Royalty Corp. considers Séguéla a highly prospective project with significant exploration potential. The project contains a Mineral Resource estimate of 1,044,000 ounces gold (12.8 million tonnes at 2.5 g/t gold) and 370,000 ounces gold (2.4 million tonnes at 4.8 g/t gold) in the Indicated and Inferred Mineral Resource categories, respectively.

Management Comments – Gold Royalty

Corp.

> *"We are pleased to announce this acquisition, which represents an important milestone in the execution of our previously stated acquisition strategy and builds upon our recent successful initial public offering.*
>
> *The addition of an advanced-stage project to the GRC portfolio builds upon the significant resource base underlying our existing project portfolio.*
>
> *We are especially intrigued by the Séguéla opportunity given Roxgold's stated goal of commencing construction at Séguéla in 2021 and commissioning a mine in 2022."*

David Garofalo, Chairman, President and CEO of Gold Royalty Corp.

Acquisition details

Pursuant to the Agreement, GRC has agreed to acquire a 1.2% NSR royalty on the Séguéla Project from a subsidiary of Apollo Consolidated Ltd. The purchase price payable by GRC at closing is AUD$20,000,000 (approximately US$15.5 million).

The acquisition is conditional upon the satisfaction of customary closing conditions and the expiry of a 14-day right of first refusal held by the owner of the Séguéla Project. Subject to satisfaction of such conditions, GRC currently expects the transaction to close on or about April 1, 2021.

The transaction will be financed by the Company through cash on hand. *Pursuant to the underlying royalty agreement, the owner of the Séguéla Project has certain rights to repurchase*

the royalty at fair market value in the event that it makes a decision to mine the property.

The Séguéla Project – Ivory Coast

The Séguéla Project, owned by a subsidiary of Roxgold, is located in Côte d'Ivoire and consists of the near surface Antenna, Agouti, Boulder, Koula and Ancien deposits.

There are numerous additional prospective exploration targets within a total land package of 36,300 hectares. *Roxgold holds an additional exploration permit external to lands subject to the NSR.*

In April 2020, Roxgold completed a preliminary economic assessment (PEA) and Mineral Resource estimate for the project. The PEA disclosed, among other things:

- life of mine gold production of 841,000 ounces with average annual gold production of 103,000 ounces;
- average annual gold production of 143,000 ounces over the first three years of production with an estimated annual production peak of 154,000 ounces in year three;
- conventional processing plant with a processing rate of 1.25 million tonnes per year with scalability incorporated into plant design for potential expansion;
- project payback of 1.2 years; and
- after-tax internal rate of return of 66% utilizing a base case gold price of $1,450 per ounce.

The PEA is preliminary in nature, includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the PEA will be realized.

Mineral Resources that are not Mineral Reserves do not have

demonstrated economic viability.

Subsequent to the date of the PEA, in December 2020, Roxgold released the results of an updated Mineral Resource estimate for the project which included an additional maiden Mineral Resource estimate for the Koula deposit.

While the PEA was based on a prior estimate that did not include such deposit, Roxgold has disclosed that the updated Mineral Resource estimate does not negatively impact or otherwise adversely affect the PEA.

Additionally, Roxgold has reported that it is on track for the completion of a feasibility study and a construction decision on the project in the first half of 2021.

For brevity, this summary has been redacted. To read the full news release, with resource tables and disclosures, please click **HERE**

About Gold Royalty Corp.

Gold Royalty Corp. is a gold-focused royalty company offering creative financing solutions to the metals and mining industry.

Its mission is to acquire royalties, streams and similar interests at varying stages of the mine life cycle to build a balanced portfolio offering near, medium and longer-term attractive returns for our investors.

GRC’s diversified portfolio currently consists of net smelter return royalties ranging from 0.5% to 2.0% on 18 gold properties covering 12 projects located in the Americas.

SOURCE

Gold Royalty Corp.

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