

NEWS RELEASE



Star Royalties Announces C\$13.5 Million Non-Brokered Private Placement

AUGUST 19, 2020, TORONTO, ON - Star Royalties Ltd. (the “Company” or “Star Royalties”) is pleased to announce a non-brokered private placement for gross proceeds of up to C\$13,500,000 (the “Private Placement”). Pursuant to the terms of the Private Placement, the Company will issue up to 108,000,000 common shares at a price of C\$0.125 per share (the “Private Placement Price”). The Private Placement is subject to an over-allotment option exercisable in the sole discretion of the Company any time prior to closing to issue up to an additional 16,200,000 common shares for up to an additional C\$2,025,000 of gross proceeds. (all references to "Private Placement" include references to any common shares issued pursuant to the over-allotment option).

Alex Pernin, CEO of Star Royalties, commented: “We are currently underwriting a sizeable gold stream on a construction-stage gold project, as well as acquiring a cash flowing royalty on a mineral sand mine, both located in tier-one jurisdictions. Additionally, we are continuing to progress our growing (currently >C\$150M) pipeline of cash flowing and near-cash flowing precious metals opportunities.”

“From an ESG perspective, we are proud to have recently created the first-of-its-kind carbon sequestration royalty in northwestern Ontario. We look forward to developing other green-focused investments and expanding our First Nations partnerships over the coming months.”

“This equity offering represents an opportunity to co-invest with management at a discounted pre-IPO valuation prior to numerous potential re-rating catalysts as Star Royalties converts its pipeline to a royalty and stream portfolio. We also expect to announce the commencement of our going-public transaction in the near-future.”

The Company plans to use the net proceeds from the Private Placement for the due diligence and acquisition of royalty and streaming opportunities, as well as for general corporate and working capital purposes.

CONTACT INFORMATION

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■ ABOUT STAR ROYALTIES LTD.

Star Royalties Ltd. is a growth-oriented, precious metals-focused royalty and streaming company. We pursue high-quality cash flow generation and shareholder value creation through the origination and acquisition of robust royalties and streams. By specializing in sliding scale structures and real options, our objective is to be uniquely aligned with our counterparties and to provide our investors with increased leverage to rising precious metal prices and optionality. We aim to become the preferred mine financing partner for producers, developers and explorers.

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 conditions, share price, best use of available cash, the ability of the Company to identify and execute future acquisitions on acceptable terms or at all, risks inherent to royalty companies, title and permitting matters, 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 receive royalty payments, regulatory restrictions, activities by governmental authorities (including changes in taxation), currency fluctuations, the global social and economic climate, natural disasters and global pandemics, dilution, 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.