

Triple Flag Precious Metals Corp. Reports Record Q1 2020 Results

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TORONTO, June 18, 2020 - [Triple Flag Precious Metals Corp.](#) ("Triple Flag") today announced its results for the first quarter of 2020.

"During the first quarter, our portfolio of producing streams and royalties performed well and we celebrated first deliveries and solid progress from many of our ramp-up assets" commented Shaun Usmar, Founder and CEO. "Whilst we anticipate the COVID-19 pandemic will temporarily impact some operations and projects in the second quarter of 2020, the low-risk and defensive nature of the streaming and royalty business model is expected to be on display through the resilience and quality of Triple Flag's portfolio. We generated a record \$18.5M in revenue during the first quarter, with cash margins of 82% and sector leading cash costs of \$133 per gold equivalent ounce sold.

Triple Flag benefits from asset and jurisdictional portfolio diversity, ample liquidity, investments in several fully-funded mines transitioning from construction to operation, a robust balance sheet, high cash margins and an ability to deploy substantial capital into the mining sector for attractive assets. Each of these factors contributes to our focus on generating value for our investors through our portfolio quality and resilience, sector-leading growth and our demonstrated ability to intelligently compete for quality assets."

Q1 2020 Financial Highlights

- Adjusted EBITDA of \$15.3 million, up 48% from the same period in the prior year and a new record for our business.
- Revenue of \$18.5 million, up 37% from the same period in the prior year and a new record for our business.
- 11,714 Gold Equivalent Ounces ("GEOs") sold, an increase of 3% from the same period in the prior year, despite the impact of COVID-19.
- Cash costs of \$133 per GEO sold, compared to \$123 per GEO sold in the same period in the prior year.
- Cash margin of 82%, up 6% from the same period in the prior year.

GEO Sold and Revenue by Commodity

	Q1 2020		Q1 2019	
	GEOs Sold	Revenue (\$M)	GEOs Sold	Revenue (\$M)
Gold	5,399	8.5	4,071	5.3
Silver	5,486	8.7	5,243	6.9
Diamond	830	1.3	1,090	1.4
Total	11,714	18.5	10,404	13.6

Corporate Updates

- RBPlat: Our gold stream transaction on the PGM operations of Royal Bafokeng Platinum Limited ("RBPlat") closed earlier than anticipated, on January 23, and we received our first delivery of gold on January 31.
- Buriticá: [Zijin Mining Group Co., Ltd.](#) ("Zijin") completed its acquisition of Continental Gold Inc. and has made good progress integrating Buriticá into its business. Triple Flag is extremely pleased to welcome an operating partner of Zijin's quality and expertise.
- Pumpkin Hollow: The first metal delivery was received from Nevada Copper Corp. ("Nevada Copper") on March 11. To support our operating partner during the COVID-19 pandemic and through the crucial ramp-up period of Pumpkin Hollow, in Q1 2020 Triple Flag committed \$35 million in return for a package of stream

enhancements and new royalties, as part of a balance sheet strengthening package alongside financial support from Pala Investments Limited and Nevada Copper's senior lender, KfW IPEX-Bank GMBH that provides Nevada Copper with \$67.2 million of additional liquidity.

- COVID-19: Our team is, thankfully, healthy and have been working effectively from home since mid-March. Our regular hybridized operating model that seamlessly integrates our internal professionals with hand-picked external specialists from across our global networks, has translated well during this unprecedented period of business travel disruption. This has enabled us to generate effective compensatory measures to facilitate detailed due diligence where travel and mine site access remains problematic. We have, however, experienced varying degrees of short-term business interruption through stoppages aimed at containing the spread of COVID-19 in several of our portfolio assets. Some of our partners have also experienced supply-chain disruptions and constraints on key talent availability associated with travel restrictions. These issues are particularly impactful to businesses working through construction, ramp-up and commissioning. We have been in regular contact with our operating partners to stay abreast of their developments, help share best practices amongst them and to assist, where we are able, with sensible liquidity injections and key skills. Despite the uncertain business outlook, Triple Flag remains on-track to deliver growth in annual GEOs from our existing portfolio during 2020.

Q1 2020 Portfolio Updates

- Cerro Lindo: Sales from Cerro Lindo in Q1 2020 were 5,481 GEOs. On March 18, Nexa Resources S.A. ("Nexa") announced the temporary shutdown of the Cerro Lindo mine due to a government-mandated quarantine period. On May 11, subsequent to quarter-end and following the end of the quarantine period, Nexa restarted operations at Cerro Lindo which is now in ramp-up phase that is expected to last until the end of June. Q1 2020 production rates at Cerro Lindo were down 21% year-on-year, primarily due to the COVID-19 suspension.

- RBPlat: Gold sales in Q1 2020 totaled 1,258 ounces of gold. The business interruption, due to the South African government's national lockdown, will be felt during Q3 2020 due to the timing delays between production and offtake settlements; however, we expect this impact to be offset by the earlier than-anticipated close of the transaction. Following the announcement by [Anglo American Platinum Limited](#) ("Amplats") of repair works to the Amplats Converter Plant, agreement has been reached with Amplats for RBPlat to resume concentrate deliveries.

- Fosterville: Royalty payments from Fosterville in Q1 2020 equated to 2,909 GEOs; with strong production performance at Fosterville attributable to an increased balance of production from the Swan Zone. Work on growth projects during Q1 2020 focused on the mine's new ventilation system, targeted for commissioning in Q2 2020, construction of a new power transformer, refinery and gold room, as well as several other projects.

- Young-Davidson: Royalty payments from Young-Davidson in Q1 2020 equated to 570 GEOs. Production at the Young-Davidson mine has thus far been largely unaffected by COVID-19. However, the lower mine expansion, originally slated for June 2020 is now expected to be completed in July 2020, due to COVID-19 related labour and productivity constraints.

- Other: Royalty payments from Eagle River, Hemlo, Henty and Stawell equated to a total of 636 GEOs during Q1 2020.

- ATO: [Steppe Gold Limited](#) announced the commencement of ore processing at its ATO gold mine in Mongolia, which will contribute towards Triple Flag's 2020 GEOs growth profile. First deliveries were received in early Q2 2020.

- Dargues: Diversified Minerals Limited has achieved mechanical completion at its Dargues gold mine, located in Australia, on February 26, and commissioning commenced during the last week of March. We expect royalty payments to commence during Q2 2020.

- Buriticá: Zijin is making strong progress on commissioning the Buriticá mine to reach mechanical completion and produced first doré from commissioning ore during Q2. The COVID-19 related measures in Colombia are expected to result in a slower production ramp-up due to workforce reductions, border closures and travel restrictions. Zijin has ample liquidity and benefits from a highly skilled team, which is working hard to support their workforce and local communities.

- Pumpkin Hollow: The first metal delivery was received from [Nevada Copper](#) on March 11. Subsequent to quarter-end, Nevada Copper announced a COVID-19 related stoppage for six or more weeks, during which time they will focus on optimizing liquidity while continuing the essential mine services required for the expedient ramp-up of activities once the COVID-19 situation improves.

- Gunnison: [Excelsior Mining Corp.](#) ("Excelsior") has prepared its wellfield for full-scale production, has copper in solution and is poised to ramp-up its operations. Excelsior has announced that it has opted to defer the ramp-up of Gunnison in response to the COVID-19 pandemic, in the interests of the health and safety of its workforce. Excelsior is focusing on preserving liquidity and maintaining the wellfield in accordance with all state and federal permits, while ensuring the facilities are ready for a rapid re-start as health-risks dissipate and the copper market rebounds.

3-Year Outlook

As certain mines in the portfolio continue to ramp-up and increase output through 2023, we anticipate our annual metals sales increasing over that same period to in excess of 100,000 GEOs per annum. This outlook is based exclusively on existing mineral reserves and fully-funded assets that are ramping up during 2020; additionally, this growth does not factor in any new acquisitions that are likely over this period, given Triple Flag's visible deal pipeline and successful deal making track record.

About Triple Flag

Triple Flag is a precious metals streaming and royalty company offering bespoke financing solutions to the metals and mining industry. Our mission is to be a sought-after, long-term funding partner to mining companies throughout the commodity cycle while generating attractive returns for our investors. Since our inception in 2016, we have rapidly developed a diversified portfolio of streams and royalties providing exposure primarily to gold and silver in the Americas and Australia. We currently have 39 assets, comprising 8 streams and 31 royalties. These investments are tied to mining assets at various stages of the mine life cycle, including 9 producing mines, 2 mines that are ramping up, 3 mines that have had operations temporarily suspended amidst the COVID-19 pandemic, and 25 development and exploration-stage projects. References to Triple Flag mean Triple Flag Precious Metals Corp., together with its wholly owned subsidiaries.

Forward-Looking Information

This news release contains "forward-looking information". Forward-looking information may be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "is expected", "budget", "scheduled", "estimates", "outlook", "forecasts", "projection", "prospects", "strategy", "intends", "anticipates", "believes", or variations of such words and phrases or terminology which states that certain actions, events or results "may", "could", "would", "might", "will", "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding possible future events or circumstances.

The forward-looking information included in this news release is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. These assumptions include, but are not limited to, the following: assumptions in respect of current and future market conditions and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated, intended or implied.

Actual results or future events might vary materially from those anticipated in the forward-looking information, and there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking information.

The forward-looking information contained in this news release represents our expectations as of the date of this news release and is subject to change after such date. We disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise. All of the forward-looking information contained in this news release is expressly qualified by the foregoing cautionary statements.

SOURCE Triple Flag Precious Metals Corp

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