

Orogen Royalties's Royalty Sees Production at Ermitaño

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VANCOUVER, Dec. 1, 2021 - [Orogen Royalties Inc.](#) ("Orogen" or the "Company") (TSXV:OGN) (OTCQX:OGNRF) is pleased to announce initial production at the Ermitaño deposit where the Company holds a 2% net smelter return ("NSR") royalty. The first doré gold-silver pour occurred November 11, 2021 and commercial production is expected in Q1 2022.

Note: The following information has been extracted from First Majestic's June 30, 2021 NI 43-101 Technical Report on Mineral Reserves and Mineral Resources on the Santa Elena Mine in Sonora, Mexico, announced November 24, 2021, and is available at [www.sedar.com](#). The study references gold and silver prices of US\$1,700 per ounce and US\$22.50 per ounce, respectively, in its economic analysis of production at Ermitaño.

[First Majestic Silver Corp.](#) ("First Majestic") released a positive NI 43-101 Prefeasibility Study ("PFS") on its Santa Elena mine and Ermitaño deposit that extends the Life of Mine ("LOM") by at least seven years based on Proven & Probable ("P&P") Reserves.

The study indicates strong cash flow for Orogen with significant upside through the conversion of Inferred Resources into Measured and Indicated Resources and ultimately into P&P Reserves. In addition, mineralization remains open to the east along strike of the Ermitaño gold and silver deposit.

"Initial production at First Majestic's Ermitaño deposit is an important milestone for Orogen," stated Paddy Nicol, Orogen's CEO and President.

"The PFS indicates that over the next seven years Orogen could see revenue of US\$12.25 million with only 35% of the total resources presently converted to the currently defined P&P Reserves. There is potential to increase P&P reserves through the incorporation of existing resources into the mine plan. In addition, there is potential for new gold and silver discoveries on 120 square kilometres of surrounding royalty lands. The Company is debt free and generating revenue from one of its royalties, demonstrating the power of our organic royalty generation business model."

Ermitaño Prefeasibility Study Highlights (Effective Date June 30, 2021)

- P&P Reserves of 2,835 kilotonnes ("kt") grading 3.69 grams per tonne ("g/t") gold and 54 g/t silver containing 337,000 ounces gold and 4.9 million ounces silver
- Measured and Indicated Resources of 2,958 kt grading 4.27 g/t gold and 61 g/t silver containing 406,000 ounces gold and 5.8 million ounces silver (Note: Measured and Indicated Mineral Resources are reported inclusive of Mineral Reserves.)
- Inferred Resources of 5,072 kt grading 2.70 g/t gold and 64 g/t silver containing 440,000 ounces gold and 10.6 million ounces silver
- First Majestic's PFS considers only revenue from Proven and Probable Mineral Reserves. The analysis considers current and projected costs incurred at the Santa Elena mine, processing plant, including costs for development in the Santa Elena mine and at the Ermitaño project.
- LOM capital and operating provisions recommend an annual 5,000 metres of underground infill drilling to increase the confidence of indicated and inferred resources and 15,000 metres of near mine drilling explore for expansions to the known mineralized areas.

The following table outlines Ermitaño's LOM production schedule:

Ermitaño LOM	Units	Total	2021	2022	2023	2024	2025	2026	2027
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Total Ore	Kt	2,835	77	384	629	669	486	380	210
Silver Grades	g/t Ag	54	40	40	45	70	51	57	44
Gold Grades	g/t Au	3.69	3.47	4.32	4.90	3.60	2.92	2.64	3.01
Silver Mined	MOz	4.9	0.1	0.5	0.9	1.5	0.8	0.7	0.3
Gold Mined	kOz	337	9	53	99	77	46	32	20

Orogen's expected revenue on P&P Reserves over the LOM is as follows:

	Units	Total	2021	2022	2023	2024	2025	2026	2027
Orogen's expected Revenue	US\$M	\$12.25	\$0.3	\$1.85	\$3.45	\$2.95	\$1.7	\$1.25	\$0.75

About the Ermitaño Deposit

The 120 square kilometre Ermitaño project in Sonora, Mexico contains the Ermitaño deposit, a low-sulphidation epithermal gold-silver system. It is located in the Rio Sonora Valley, an area known to host epithermal gold-silver deposits and active mines including the Santa Elena Mine (First Majestic), Mercedes Mine (Equinox Gold Corp.) and Las Chispas deposit (SilverCrest Metals Inc.). Ermitaño is situated four kilometres east of the Santa Elena mine and processing plant.

Since 2016, 88,056 metres of drilling has been completed on the Ermitaño deposit to delineate one primary quartz vein and several sub-parallel quartz veins within an area measuring 1,800 metres along strike and up to 550 metres down dip. The Ermitaño Vein averages 5.9 metres in width while the Aitana Vein, the second most prominent structure, averages approximately 2 metres wide. Other veins average between 1 metre and 4 metres wide.

Ore processing at the 3,000 tonne per day ("tpd") Santa Elena plant is expected to consist of 'campaigns' of Santa Elena ore (both underground and leach pad material) that will alternate with Ermitaño ore. These campaigns will address the differences between the two ores including hardness and metallurgical performance and provide clarity for accounting purposes.

Initial production trials, taking place in Q4 of 2021, will aid in refining the campaigns and commercial production is expected to be achieved in Q1 2022. It is estimated that the average daily throughput for processing Ermitaño ore will be 2,350 tpd once commercial production is achieved.

Figure 1 - Ermitaño Mine site looking northeast showing the east and west portals at left, and ore stockpile and road to processing plant in centre.

Qualified Person Statement

All technical data, as disclosed in this press release, has been verified by Laurence Pryer, Ph.D., P.Geo., Exploration Manager for Orogen. Dr. Pryer is a qualified person as defined under the terms of National Instrument 43-101.

About Orogen Royalties Inc.

Orogen Royalties Inc. is focused on organic royalty creation and royalty acquisitions on precious and base metal discoveries in western North America. The Company's royalty portfolio includes the Ermitaño gold and silver deposit in Sonora, Mexico (2% NSR royalty) being developed by [First Majestic Silver Corp.](#) and the Silicon gold project (1% NSR royalty) in Nevada, USA, being advanced by AngloGold Ashanti N.A. The Company is well financed with several projects actively being developed by joint venture partners.

On Behalf of the Board
[Orogen Royalties Inc.](#)

Paddy Nicol
President & CEO

To find out more about Orogen, please contact Paddy Nicol, President & CEO at 604-248-8648, and Marco LoCascio, Vice President, Corporate Development at 604-248-8648. Visit our website at www.orogenroyalties.com.

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Forward-Looking Information

This news release includes certain statements that may be deemed "forward-looking statements." All statements in this presentation, other than statements of historical facts, that address events or developments that [Orogen Royalties Inc.](#) (the "Company") expect to occur, are forward looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur.

Forward looking information relates to statements concerning the Company's future outlook and anticipated events or results, as well as the Company's management expectations with respect to the proposed business combination (the "Transaction"). This document also contains forward-looking statements regarding the anticipated completion of the Transaction and timing thereof. Forward-looking statements in this document are based on certain key expectations and assumptions made by the Company, including expectations and assumptions concerning the receipt, in a timely manner, of regulatory and stock exchange approvals in respect of the Transaction.

Although the Company believe the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward looking statements. Factors that could cause the actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Furthermore, the extent to which COVID-19 may impact the Company's business will depend on future developments such as the geographic spread of the disease, the duration of the outbreak, travel restrictions, physical distancing, business closures or business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. Although it is not possible to reliably estimate the length or severity of these developments and their financial impact as of the date of approval of these condensed interim consolidated financial statements, continuation of the prevailing conditions could have a significant adverse impact on the Company's financial position and results of operations for future periods.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by securities laws, the Company undertakes no obligation to update these forward looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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