Empress Royalty Receives First Silver from Tahuehueto Mine

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VACOUVER, July 18, 2022 - Empress Royalty Corp. (TSXV:EMPR | OTCQB:EMPYF) ("Empress" or the "Company") is pleased to announce the Company has received the first payable silver ounces from the silver stream agreement on the Tahuehueto Mine ("Tahuehueto" or the "Mine"). Tahuehueto Mine is located in Durango, Mexico, 100% owned and operated by Altaley Mining Corporation ("Altaley").

"I am excited to announce Empress has received its first payment of silver ounces from the Tahuehueto mine. It's only been 12 months since the Tahuehueto silver stream was completed and this is a major milestone to see a development asset move forward to generate revenue for the Company", stated Alexandra Woodyer Sherron, CEO and President of Empress. "Tahuehueto is an exceptional asset which is expected to generate significant revenue for Empress. It gives Empress direct exposure to silver and combined with our low G&A provides an effective hedge against inflation pressures as seen in other industries. Empress continues to build a strong portfolio of revenue generating gold and silver royalties and streams and Tahuehueto demonstrates our ability to deliver value to our shareholders."

Figures 1 to 3. Tahuehueto Mine

THE INVESTMENT

On April 16, 2021, Empress executed the US$5M silver stream agreement ("Stream") with Altaley to purchase 100% of the payable silver production from Tahuehueto for the first 1,250,000 payable silver ounces. Thereafter, the percentage will step down to 20% of the payable silver production up to a maximum of 10 years. Empress will purchase the silver at 20% of spot price.

PROJECT UPDATE

Tahuehueto is located in Durango, Mexico. It is a typical epithermal polymetallic mineral deposit in this part of Mexico, with metals consisting of gold, silver, zinc, copper and lead. The Mine is fully permitted, has all social and environmental licenses to operate, and has offtake agreements in place.

On April 26, 2022, Altaley filed an updated technical report, including a Preliminary Feasibility Study ("PFS") for Tahuehueto. With the filing of the PFS report, Altaley updated the March 7, 2022, disclosure with a significant increase of approximately 30% to the overall economics of the project. Altaley expects to produce 2,166 oz/month of gold and 37,829 oz/month of silver, of which 100% of the silver is subject to the above terms of the Stream. Please see Altaley's website (www.altaleymining.com) for further details on the PFS. Highlights from the Altaley press release include the following:

- 2022 Preliminary Feasibility Study improves 2017 PFS increasing throughput to 1,000 tonnes per day ("tpd") returning a post-tax NPV of US$161.3M, at a discount rate of 5%, (US$141.8M and US$131.8M at discount rate of 8% and 10% respectively).
- IRR of 65% with a two year payback period with a 5% discount rate.
- Total Life of Mine Capital Cost estimate of US$56.9M with project construction over 95% complete.
- Life of Mine All in Sustaining Costs ("AISC") estimated at US$844 per gold equivalent ounce at US$1,647.52/ounce Au, US$21.64/ounce Ag, US$0.92/pound Pb, US$1.14/pound Zn and US$3.60/pound Cu).
- Proven & Probable Reserves of 3.58 million tonnes grading 2.55g/t gold, 50.06 g/t silver, 1.92% zinc, 1.11% lead, 0.26% copper.
- 9-year Life of Mine ("LOM") utilizing mostly low-cost bulk underground Sub-level Open Stoping mining method with average annual production of 25,987 oz of gold, 453,952 oz of silver, 827 tonnes of copper, 3,155 tonnes of lead and 6,123 k-lbs of zinc.

- Significant opportunities exist to expand the Projects Mineral Resources and Reserves base with near mine and regional exploration. Altaley plans to aggressively pursue exploration as soon as free cash flows allow or alternative funding is secured.

On May 16, 2022, Altaley announced Tahuehueto initiated pre-production mining and milling commissioning operations and construction efforts at the Mine were advanced to allow the start-up and commission of one ball mill capable of processing up to 500 tpd. Please see Altaley's website (www.altaleymining.com) for further details on the announcement of pre-production.

On June 27, 2022, Altaley updated their shareholders on the commissioning, pre-production, and construction progress at Tahuehueto. Please see Altaley's website (www.altaleymining.com) for further details on the Tahuehueto ramp-up. Highlights are as follows:

- Altaley stated the operations team have been diligently resolving various start-up issues related to the water supply pipeline and mill commissioning and, over the past week have successfully achieved ongoing pre-production with the first 500 tpd ball mill. Recently, processing has been stabilized with the mill achieving ore throughput up to 350 tpd and averaging approximately 195 tpd over the past 5 days. Mill throughput is estimated to remain at current levels over the next two weeks with crushing being handled with a provisional cone crusher while the permanent crushing circuit installation is being finalized and anticipated to be operational within the next two weeks and thereafter the ball mill throughput will be ramped up to capacity.
- Altaley further updated on production that to date approximately 260 tonnes of bulk concentrate has been produced at Tahuehueto. Two shipments of approximately 30 tonnes each have been shipped and received to the point of sale. These initial batches of concentrate were produced from low-grade ore on purpose as original feed testing at the ball mill start-up. Revenue received from the first shipment was approximately US$42,000 paid for gold, silver, and lead. The second delivery payment is pending. Another 70 tons of concentrate is in the process of being shipped from Tahuehueto to Tepehuanes subsequently to be trucked in the coming days. The Tahuehueto operations team estimate that there are approximately another 150 tonnes of concentrate available, drying on the mill patio and within the thickeners available to be filtered for drying on the patios.
- The tailings storage facility is in the final stages of construction and expected to be ready to receive dry stack tailings within 45 days. Tailings currently being generated are being filtered and stored as additional backfill underground. The Tahuehueto Laboratory is essentially ready to be operational and technicians are calibrating ICP and ancillary equipment expected to be fully operational over the next few days.
- Installation of the second 500 tpd ball mill is scheduled over the next several months and the Company anticipates the project will be able to commission this mill during Q4 2022 and ramp up production towards the mine's designed capacity of 1,000 tpd near the end of 2022.

QUALIFIED PERSON

Technical information in this news release originates in the public disclosure set out above and has been reviewed and approved by Richard Mazur, P.Geo., a Qualified Person as defined in National Instrument 43-101, Standards of Disclosure for Mineral Projects.

ABOUT EMPRESS ROYALTY CORP.

Empress is a global royalty and streaming creation company providing investors with a diversified portfolio of gold and silver investments. Since listing in December 2020, Empress has built a portfolio of 17 precious metal investments and is actively investing in mining companies with development and production stage projects who require additional non-dilutive capital. The Company has strategic partnerships with Endeavour Financial and Terra Capital which allow Empress to not only access global investment opportunities but also bring unique mining finance expertise, deal structuring and access to capital markets. Empress is looking forward to continuously creating value for its shareholders through the proven royalty and streaming models.

ON BEHALF OF Empress Royalty Corp.

Per: Alexandra Woodyer Sherron, CEO and President

For further information, please visit our website at www.empressroyalty.com or contact Kaitlin Taylor, Investor Communications, by email at info@empressroyalty.com or by phone at +1.604.331.2080.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This news release contains statements about Empress' expectations regarding the economics of the Tahuehueto mine which are forward-looking in nature and, as a result, are subject to certain risks and uncertainties. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "expects", "believes", "anticipates", "aims to", "plans to" or "intends to" or variations of such words and phrases or statements that certain actions, events or results "will" occur. Although Empress believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them as actual results may differ materially from the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include the timing and success in Altaley completing the successful commissioning of the plant and bringing the Tahuehueto project into commercial production as planned. The forward-looking statements contained in this news release are made as of the date hereof, and Empress undertakes no obligation to update publicly or revise any forward-looking statements or information, except as required by law. Readers should not place undue reliance on forward-looking statements or information.

SOURCE: Empress Royalty Corp.

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