

Triple Flag Reports Q2 2022 Results and Increases Dividend

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[Triple Flag Precious Metals Corp.](#) (with its subsidiaries, "Triple Flag" or the "Company") (TSX:TFPM, TSX:TFPM.U) announced its results for the second quarter of 2022 and declared an increased dividend of US\$0.05 per common share to be paid on September 15, 2022. Unless otherwise stated, all dollar amounts are expressed in US dollars.

"We are pleased to report solid results for the second quarter, in which operating performance across the portfolio was broadly in line with our expectations" commented Shaun Usmar, CEO. "Metal sales in the second quarter declined versus last year's record results for the same period due mostly to quarter-end timing of shipments and a higher gold-silver ratio, but this still represented our third best quarter of operating cash flow in the life of the Company. We expect full-year 2022 gold equivalent ounces sales to be weighted to the second half of the year, with sales volumes of gold and silver on track for a record in 2022. This has made it possible for us to increase our annual dividend by 5%, from US\$0.19 to US\$0.20 per share, equating to a sector-leading dividend yield of 1.8%.

Looking more broadly across the sector, margin compression at operating mining companies, driven by cost inflation and commodity price volatility, is increasingly prevalent, as well as large increases in capital expenditure bills for development stage companies. While we currently have an active deal pipeline, we expect this market dynamic to further improve the outlook for streaming and royalty opportunities as more conventional funding alternatives prove increasingly expensive and unreliable, and miners require additional liquidity to overcome these challenges. We believe the market is setting up nicely for an acute need for patient, long-term capital in the sector, and we have ample liquidity to deploy against this backdrop in a disciplined manner.

The team remains highly focused on continuing to build Triple Flag in the same successful manner we have for the past 6 years, with good financial results, continued organic growth from our diverse portfolio, ample deal possibilities, disciplined acquisitions, and strong liquidity providing the bedrock for continued growth in value per share. We remain debt-free, are on track for our seventh consecutive year of record results, have a growing cash balance for new deals, strong and stable asset margins, and significant future optionality embedded in our portfolio."

Q2 2022 Financial Highlights

- Revenue of \$36.5 million, compared to \$40.9 million in Q2 2021.
- Gold equivalent ounces ("GEOs")¹ sold of 19,507, compared to 22,537 in Q2 2021.
- Net Earnings of \$10.9 million, compared to \$18.3 million in Q2 2021.
- Adjusted Net Earnings² of \$14.9 million, compared to \$16.7 million in Q2 2021.
- Operating Cash Flow of \$29.9 million, compared to \$32.8 million in Q2 2021.
- Adjusted EBITDA³ of \$28.1 million, compared to \$35.0 million in Q2 2021.
- Strong Asset Margin⁴ of 90%, broadly in line with the same period in the prior year.
- Cash Costs per GEO⁵ of \$191, compared to \$168 for the same period in the prior year.
- Quarterly dividend declared of US\$0.05 per common share that will be paid on September 15, 2022.

GEOs Sold by Commodity, Revenue by Commodity, and Financial Highlights Summary Table^a

Three Months

(\$ thousands except GEOs, Asset Margin, Total Margin, Cash Costs per GEO, and per share numbers) 2022

GEOs¹

Gold	11,446
Silver	6,717
Other	1,344
Total	19,507
Revenue	
Gold	21,412
Silver	12,564
Other	2,514
Total	36,490
Net Earnings	10,922
Net Earnings per Share	0.07
Adjusted Net Earnings ²	14,854
Adjusted Net Earnings per Share ²	0.10
Operating Cash Flow	29,940
Operating Cash Flow per Share	0.19
Adjusted EBITDA ³	28,144
Asset Margin ⁴	90%
Total Margin ⁴	77%
Cash Costs per GEO ⁵	191

Corporate Updates

- Dividend: Triple Flag's Board of Directors declared a quarterly dividend of US\$0.05 per common share that will be paid on September 15, 2022 to the shareholders of record at the close of business on August 31, 2022. This increases the annualized dividend from US\$0.19 per common share to US\$0.20 per share, representing a 5% increase and a yield of 1.8% based on the closing share price on August 8, 2022.
- New York Stock Exchange Listing: Triple Flag is in the process of applying to list its common shares on the New York Stock Exchange ("NYSE"). Listing of the shares on the NYSE remains subject to the approval of the NYSE and the satisfaction of all applicable listing and regulatory requirements. The Company expects its general administration costs to increase by \$600,000 for the balance of the year as a result of the NYSE listing.

Upon receipt of all required approvals and completion of the NYSE listing process, Triple Flag will publicly announce its first trading date on the NYSE. Triple Flag's common shares are expected to trade on the NYSE under the ticker symbol "TFPM", the same symbol the Company's common shares currently trade under in Canadian dollars on the Toronto Stock Exchange (and will continue to). Following the commencement of trading of Triple Flag's common shares on the NYSE, Triple Flag intends to discontinue the use of the TFPM.U ticker symbol traded in United States dollars on the Toronto Stock Exchange.

- **Prieska Royalty and Stream Acquisition:** As noted in our Q1 results release, Triple Flag signed non-binding term sheets with Orion Minerals Ltd. ("Orion") for a A\$10 million gross revenue return and an \$80 million gold and silver stream on Orion's Prieska Copper-Zinc Project ("Prieska") in South Africa. The gross revenue return is conditional on Orion raising A\$20 million of additional funding in equity or an alternative form to Triple Flag's satisfaction. Orion continues to work to secure its A\$20 million of financing while we advance definitive documentation in parallel.
- **Share Buyback Program:** For the three months ended June 30, 2022, the Company purchased 8,218 of its common shares under the Normal Course Issuer Bid for \$106,218.

Sustainability Initiatives:

- **Sustainability Report:** During the second quarter, we released our 2021 Sustainability Report, showcasing our contributions and commitment to helping evolve market-leading ESG performance. Crucially, we continue to demonstrate our commitment to remain carbon neutral for all our scope 1, 2 and 3 emissions since starting this business, and are now working on setting out our roadmap towards net zero emissions by 2050. Our commitment to responsible mining is underlined by our \$850,000 investment in 2021 into substantive local community support around our mining partners' assets. The Sustainability Report can be found on our website.

Q2 2022 Portfolio Updates

Australia:

- **Northparkes (54% gold stream and 80% silver stream):** Sales from Northparkes in Q2 2022 were 3,389 GEOs based on sales of 2,691 ounces of gold and 56,307 ounces of silver. Northparkes achieved record plant throughput in May of 682 kt following the completion of the expansion program and the ramp-up of the E26 Lift One North.
- **Fosterville (2.0% NSR gold royalty):** Royalties from Fosterville in Q2 2022 equated to 2,415 GEOs. Fosterville produced 86,065 ounces of gold in Q2 2022 and produced 212,772 ounces in the first six months of 2022. In Q2 2022, the Robbins Hill exploration decline and the Lower Phoenix exploration decline were completed. The completion of these exploration drifts puts Fosterville in a good position to accelerate the exploration and conversion drilling in these prospective areas in the second half of 2022. Additionally, based on an adjusted mining sequence, Fosterville is expected to have lower gold production in the third quarter, while the fourth quarter is expected to be the strongest quarter of the year based on the expected timing of mining ultra-high-grade stopes.
- **Dargues (5.5% gross revenue ("GR") gold royalty):** Royalties from Dargues in Q2 2022 equated to 466 GEOs. Dargues produced 11,881 ounces of gold in the quarter ended June 30, 2022 compared to 8,108 ounces in the quarter ended March 31, 2022. Dargues delivered strong quarterly performance, achieving the highest mined ore tonnage, backfill placement, milled ore tonnage, and gold production to date. Two surface drill rigs and an underground drill rig operated at Dargues during the quarter, focusing on near-mine extensional exploration targets along strike to the east and west of the main Dargues lodes.

Latin America:

- **Cerro Lindo (65% silver stream):** Sales from Cerro Lindo in Q2 2022 were 5,372 GEOs based on 472,663 ounces of silver sold. Cerro Lindo produced 1.2 million ounces of silver during Q2 2022, an increase from 1.1 million ounces of silver in Q2 2021 and 1.0 million ounces of silver in Q1 2022. In Q2 2022, the exploration program continued to focus on extensions of known orebodies to the southeast of Cerro Lindo, and on the new VMS discovery at the Pucasalla target, 4.5 km to the northwest of the mine. There are currently four operating drill rigs at Cerro Lindo. A total of 6,485 meters of exploration drilling and 13,544 meters of infill drilling were executed during Q2 2022, which totaled 13,490 meters and 26,961 meters in H1 2022, respectively.
- **Buriticá (100% silver stream):** Sales from Buriticá in Q2 2022 were 602 GEOs based on 52,487 ounces of silver sold. The processing facility is currently undergoing a ramp-up to 4,000 tonnes per day, which is expected to be reached later this year. During June 2022 the mill throughput was 3,750 tonnes per day.

North America:

- Young-Davidson (1.5% NSR gold royalty): Royalties from Young-Davidson in Q2 2022 equated to 754 GEOs. Young-Davidson continued its strong operational performance, with mining rates exceeding 8,000 tonnes per day for the fourth consecutive quarter, driving production of 46,400 ounces. With the solid performance through the first half of the year, Young-Davidson is on track to achieve full-year production of between 185,000 - 200,000 ounces.
- Pumpkin Hollow (97.5% gold and silver stream): Nevada Copper Corp. announced on June 6 that it had encountered an unidentified weak rock structure in the main ramp to the East South Zone, which restricted access to the planned East South stoping zones. Activities were adjusted to develop plans to address this, while prioritizing development work through the dike structure and on the priority heading to the East North mining zone, which has significantly higher copper grades and better geotechnical conditions. The company announced on July 1, that the work was almost complete, but liquidity constraints had forced curtailment of underground mining activities. On August 5, the company announced that it had advanced its restart plans for the Pumpkin Hollow underground mine, which focus on acceleration of key capital items followed by the development of a significant stope inventory in advance of a mill restart and completion of the production ramp-up. Pala Investments Limited, the largest shareholder, has provided an additional \$20 million promissory note to the company for essential liquidity needs while it works with key financing partners, including Triple Flag, to secure a larger, longer-term funding package to finance the restart and ramp-up of the mine to commercial production. The delays to mining and ramping activities do not impact Triple Flag's guidance for 2022.
- Beaufor (2.75% NSR gold royalty): Subsequent to quarter-end, Monarch Mining Corporation announced that it had produced its first gold bar from the restart of the Beaufor mine. Beaufor is expected to continue ramping up, with commercial production expected to be achieved in the coming months. Initial royalty payments from Beaufor are expected in H2 2022.
- Renard (20% of a 20% diamond stream): As a result of its improved financial position, subsequent to quarter-end, Stornoway Diamonds, along with its streamers and secured creditors, agreed to amend the stream and the secured debt documents on April 29, 2022, facilitating repayment of the working capital facility and the resumption of stream payments. During the quarter, Renard delivered 1,223 GEOs.
- Tamarack (1.85%^b NSR nickel and copper royalty on Talon's interest): Talon Metals Corp. ("Talon") purchased three additional drill rigs during second quarter of 2022, which will be deployed to expand exploration of the Tamarack Intrusive Complex for additional high-grade nickel, copper, and cobalt. Subsequent to quarter-end, Talon announced assay results from the CGO East area, which represents one of the newly discovered mineralized areas outside of the Tamarack Nickel Project's defined resource area. This new drilling has demonstrated over 600 meters of continuous, high-grade nickel copper sulphide mineralization, with potential to extend an additional 200 meters to the north.
- Gunnison (16.5% copper stream): Excelsior Mining Corp. has reduced operations at the Gunnison Copper Project wellfield to conserve liquidity and prioritize work on the Johnson Camp Mine restart, planning for well stimulation trials aimed at improving flow rates and sweep efficiency of the wellfield, and working through the recommendations of the Gunnison pre-feasibility study of March 2022 aimed at overcoming the wellfield CO₂ generation and flowrate limitations that have been encountered. Acid injection has been temporarily suspended whilst continuing copper recovery and compliance to ensure underground solutions are managed and controlled. At the Johnson Camp Mine, infill drill results from the Burro pit were better than anticipated, with the intersection of zones of significant thickness and good grades. The encouraging results are the focal point of a new Johnson Camp mine plan which, along with permitting of a new leach pad and ongoing metallurgical testing and drilling, could see a Johnson Camp restart decision being taken in 2023 if an economic case can be made. The delays in stream deliveries due to slow ramp-up at Gunnison do not impact Triple Flag's guidance for 2022.
- Queensway (0.2% to 0.5% NSR gold royalty): New Found Gold Corp. announced at the beginning of May that the ongoing 400,000-meter drill program was approximately 43% complete. A recent drill highlight includes 275 grams per tonne of gold over a 2.15-meter interval near surface. In August, it announced that drilling has identified new high-grade mineralized veins over a 630-meter strike that connects the Keats and 515 zones.

Rest of World:

- RBPlat (70% gold stream): Sales from RBPlat in Q2 2022 were 1,805 GEOs based on 1,791 ounces of gold sold. For the first half of 2022, tonnes milled increased from the same period in 2021, and total 4E metals production was up 4.5% to 225.5 koz versus the comparable period. Gold in concentrate production for the first half of 2022 was 5.8 koz, down slightly from 6.1 koz in the comparable period due to a higher proportion of UG2 ore milled. All construction works for the Maseve processing plant expansion were complete and the flotation circuit has been commissioned. Commissioning is expected to be completed during the third quarter of 2022. The Competition Commission recommended that the Competition Tribunal approves the [Impala Platinum Holdings Ltd.](#) ("Implats") mandatory offer for RBPlat, with the Implats mandatory offer closing date being extended to September 16, 2022.

- ATO (25% gold stream and 50% silver stream): Sales from ATO in Q2 2022 were 2,591 GEOs based on sales of 2,610 ounces of gold and 417 ounces of silver. Production resumed in March with stockpiles of key reagents and consumables being received, allowing for higher leaching rates with more cells under leach.

Conference Call Details

Triple Flag has scheduled an investor conference call at 10:00 a.m. ET (7:00 a.m. PT) on Wednesday, August 10, 2022 to discuss the results reported in today's earnings announcement. The conference call will be broadcast live via a webcast and can be accessed by visiting the Events and Presentations page on the Company's website at: www.tripleflagpm.com. An archived version of the webcast will be available on the website for one month following the webcast.

Date and Time: August 10th, 2022 at 10:00 a.m. ET (7:00 a.m. PT)

Live Webcast: <https://event.on24.com/wcc/r/3825856/3D4EDED52B6D0B5940085CDC723BD127>

Toll-Free (U.S. & Canada): +1 (888) 330-2384

Dial-In Details: International: +1 (647) 800-3739

Conference ID: 4548984

Toll-Free (U.S. & Canada): +1 (800) 770-2030

Replay (Until August 24th): International: +1 (647) 362-9199

Conference ID: 4548984

Mr. James Dendle, Vice President, Evaluations & Investor Relations, is a "qualified person" as such term is defined under National Instrument 43-101 and has reviewed and approved the technical information disclosed in this news release.

About Triple Flag

Triple Flag is a pure play, gold-focused, emerging senior streaming and royalty company. We provide our investors with exposure to a long-life, diversified and high-quality portfolio of streams and royalties that generates robust free cash flows. Our business is underpinned by a rigorous focus on asset quality, optionality, sustainability and risk management. We offer bespoke financing solutions to the metals and mining industry. Our mission is to be a preferred funding partner to mining companies throughout the commodity cycle by providing customized streaming and royalty financing, while offering value beyond capital as partners via our networks, capabilities and sustainability support. Since our inception in 2016, we have delivered sector-leading growth through the construction of a diversified portfolio of streams and royalties that provides exposure primarily to gold and silver in the Americas and Australia. We have also maintained carbon neutrality since that time, including the Scope 3 greenhouse gas emissions of our attributable portion of metals production of our counterparties. We have 80 assets, including 9 streams and 71 royalties. These investments are tied to mining assets at various stages of the mine life cycle, including 15 producing mines and 65 development and exploration stage projects. On May 26, 2021, Triple Flag closed its IPO, which was the largest TSX-listed mining IPO since 2012 by size and market capitalization, and the largest precious metals IPO globally by market capitalization since 2008. Triple Flag's shares are listed on the TSX under TFPM.U (USD listing) and TFPM (CAD listing).

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities laws. 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". Our assessments of, and expectations for, future periods (including, but not limited to, our 2022 guidance and long-term production outlook for GEOs, our dividend policy, our outlook for the mining sector and our acquisition strategy, and our anticipated listing on the NYSE), are considered forward-looking information. 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. The forward-looking information contained in this news release is also based upon the ongoing operation of the properties in which we hold a stream or royalty interest by the owners or operators of such properties in a manner consistent with past practice; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; and the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production. These assumptions include, but are not limited to, the following: assumptions in respect of current and future market conditions and the execution of our business strategies, that operations, or ramp-up where applicable, at properties in which we hold a royalty, stream or other interest, continue without further interruption through the period, and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated, intended or implied. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Forward-looking information is also subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include, but are not limited to, those set forth under the caption "Risk Factors" in our annual information form as filed from time to time on SEDAR at www.sedar.com. For clarity, mineral resources that are not mineral reserves do not have demonstrated economic viability and inferred resources are considered too geologically speculative for the application of economic considerations.

Although we have attempted to identify important risk factors that could cause actual results or future events to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made. 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, except as required by applicable securities laws. All of the forward-looking information contained in this news release is expressly qualified by the foregoing cautionary statements.

Technical and Third-Party Information

Triple Flag does not own, develop or mine the underlying properties on which it holds stream or royalty interests. As a royalty or stream holder, Triple Flag has limited, if any, access to properties included in its asset portfolio. As a result, Triple Flag is dependent on the owners or operators of the properties and their qualified persons to provide information to Triple Flag or on publicly available information to prepare disclosure pertaining to properties and operations on the properties on which Triple Flag holds stream, royalty or other similar interests. Triple Flag generally has limited or no ability to independently verify such information. Although Triple Flag does not believe that such information is inaccurate or incomplete in any material respect, there can be no assurance that such third-party information is complete or accurate.

Endnotes

Endnote 1: Gold Equivalent Ounces ("GEOs")

GEOs are a non-IFRS measure that are based on stream and royalty interests and are calculated on a quarterly basis by dividing all revenue from such interests for the quarter by the average gold price during such quarter. The gold price is determined based on the London Bullion Market Association PM fix. For periods longer than one quarter, GEOs are summed for each quarter in the period. Management uses this measure internally to evaluate our underlying operating performance across our stream and royalty portfolio for the reporting periods presented and to assist with the planning and forecasting of future operating results. GEOs are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of gross profit or operating cash flow as determined under IFRS. Other companies may calculate these measures differently. The following table reconciles GEOs to revenue, the most directly comparable IFRS measure.

	2022		
(\$ thousands, except average gold price and GEOs information)	Three months ended June 30	Three months ended March 31	Six months ended June 30
Revenue	36,490	37,755	
Average gold price per ounce	1,871	1,877	
GEOs	19,507	20,113	39,620
	2021		
(\$ thousands, except average gold price and GEOs information)	Three months ended June 30	Three months ended March 31	Six months ended June 30
Revenue	40,939	35,366	
Average gold price per ounce	1,816	1,794	
GEOs	22,537	19,714	42,251

Endnote 2: Adjusted Net Earnings (Loss) and Adjusted Net Earnings (Loss) per Share

Adjusted net earnings (loss) is a non-IFRS financial measure, which excludes the following from net earnings (loss):

- impairment charges
- gain/loss on sale or disposition of assets/mineral interests
- foreign currency translation gains/losses
- increase/decrease in fair value of investments
- non-recurring charges; and
- impact of income taxes on these items

Management uses this measure internally to evaluate our underlying operating performance for the reporting periods presented and to assist with the planning and forecasting of future operating results. Management believes that adjusted net earnings (loss) is a useful measure of our performance because impairment charges, gain/loss on sale or disposition of assets/mineral interests, foreign currency translation gains/losses, increase/decrease in fair value of investments and non-recurring charges (such as IPO readiness costs) do not reflect the underlying operating performance of our core business and are not necessarily indicative of future operating results. The tax effect is also excluded to reconcile the amounts on a post-tax basis, consistent with net earnings. Management's internal budgets and forecasts and public guidance do not reflect the types of items we adjust for. Consequently, the presentation of adjusted net earnings (loss) enables users to better understand the underlying operating performance of our core business through the eyes of management. Management periodically evaluates the components of adjusted net earnings based on an internal assessment of performance measures that are useful for evaluating the operating performance of our business and a review of the non-IFRS measures used by industry analysts and other streaming and royalty companies. Adjusted net earnings (loss) is intended to provide additional information only and does not have any standardized definition under IFRS and should not be considered in

isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of gross profit or operating cash flow as determined under IFRS. Other companies may calculate these measures differently. The following table reconciles adjusted net earnings to net earnings, the most directly comparable IFRS measure.

Reconciliation of Net Earnings to Adjusted Net Earnings

(\$ thousands, except share and per share information)	Three months ended		Six months ended		
	June 30	June 30	June 30	June 30	
	2022	2021	2022	2021	
Net earnings	\$ 10,922	\$ 18,339	\$ 26,811	\$ 27,018	
Gain on disposal of mineral interests	-	-	(2,099) -	
Loss on derivatives	-	297	-	297	
Foreign currency translation losses (gains)	100	(18) 153	(22)
Decrease (increase) in fair value of investments	3,834	(2,595) 4,492	1,901	
IPO readiness costs ¹	-	-	-	670	
Income tax effect	(2) 627	969	577	
Adjusted net earnings	\$ 14,854	\$ 16,650	\$ 30,326	\$ 30,441	
Weighted average shares outstanding- basic	156,013,993	143,534,434	156,020,615	139,739,993	
Net earnings per share	\$ 0.07	\$ 0.13	\$ 0.17	\$ 0.19	
Adjusted net earnings per share	\$ 0.10	\$ 0.12	\$ 0.19	\$ 0.22	

¹ Reflects charges related to a potential U.S. listing that was not pursued

Endnote 3: Adjusted EBITDA

Adjusted EBITDA is a non-IFRS financial measure, which excludes the following from net earnings:

- income tax expense
- finance costs, net
- depletion and amortization
- impairment charges
- gain/loss on sale or disposition of assets/mineral interests
- foreign currency translation gains/losses
- increase/decrease in fair value of investments; and
- non-recurring charges

Management believes that adjusted EBITDA is a valuable indicator of our ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations, and fund acquisitions. Management uses adjusted EBITDA for this purpose. Adjusted EBITDA is also frequently used by investors and analysts for valuation purposes whereby adjusted EBITDA is multiplied by a factor or "multiple" that is based on an observed or inferred relationship between adjusted EBITDA and market values to determine the approximate total enterprise value of a company.

In addition to excluding income tax expense, finance costs, net and depletion and amortization, adjusted EBITDA also removes the effect of impairment charges, gain/loss on sale or disposition of assets/mineral interests, foreign currency translation gains/losses, increase/decrease in fair value of investments and

non-recurring charges. We believe these items provide a greater level of consistency with the adjusting items included in our adjusted net earnings reconciliation, with the exception that these amounts are adjusted to remove any impact of income tax expense as they do not affect adjusted EBITDA. We believe this additional information will assist analysts, investors and our shareholders to better understand our ability to generate liquidity from operating cash flow, by excluding these amounts from the calculation as they are not indicative of the performance of our core business and not necessarily reflective of the underlying operating results for the periods presented.

Adjusted EBITDA is intended to provide additional information to investors and analysts and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Adjusted EBITDA is not necessarily indicative of operating profit or operating cash flow as determined under IFRS. Other companies may calculate adjusted EBITDA differently. The following table reconciles adjusted EBITDA to net earnings, the most directly comparable IFRS measure.

(\$ thousands)	Three months ended Six months ended			
	June 30		June 30	
	2022	2021	2022	2021
Net earnings	\$ 10,922	\$ 18,339	\$ 26,811	\$ 27,018
Finance costs, net	442	2,059	979	4,577
Income tax expense	1,269	2,695	3,412	3,302
Depletion and amortization	11,577	14,182	24,853	27,313
Gain on disposal of mineral interests	-	-	(2,099)	-
Loss on derivatives	-	297	-	297
Foreign currency translation loss (gain)	100	(18)	153	(22)
Decrease (increase) in fair value of investments	3,834	(2,595)	4,492	1,901
IPO readiness costs ¹	-	-	-	670
Adjusted EBITDA	\$ 28,144	\$ 34,959	\$ 58,601	\$ 65,056

¹ Reflects charges related to a U.S. listing that was not pursued.

Endnote 4: Gross Profit Margin, Asset Margin, and Total Margin

Gross profit margin is an IFRS financial measure which we define as gross profit divided by revenue. Asset margin is a non-IFRS financial measure which we define by taking gross profit and adding back depletion and dividing by revenue. Total margin is a non-IFRS financial measure which we define as adjusted EBITDA divided by revenue. We use gross profit margin to assess profitability of our metal sales and use asset margin and total margin in order to evaluate our performance in increasing revenue and containing costs and providing a useful comparison to our peers. Both asset margin and total margin are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following table reconciles asset margin and total margin to gross profit margin, the most directly comparable IFRS measure:

(\$ thousands except Gross profit margin, Asset margin, and Total margin)	Three months ended		Six months ended	
	June 30	June 30	June 30	June 30
	2022	2021	2022	2021

Revenue	\$ 36,490	\$ 40,939	\$ 74,245	\$ 76,305
Cost of sales	15,208	17,874	31,419	33,883
Gross profit	21,282	23,065	42,826	42,422
Gross profit margin	58 %	56 %	58 %	56 %
Gross profit	\$ 21,282	\$ 23,065	\$ 42,826	\$ 42,422
Add: Depletion	11,485	14,083	24,664	27,114
	32,767	37,148	67,490	69,536
Revenue	36,490	40,939	74,245	76,305
Asset margin	90 %	91 %	91 %	91 %
Gross profit	\$ 21,282	\$ 23,065	\$ 42,826	\$ 42,422
Add: Depletion and amortization	11,577	14,182	24,853	27,313
Less: Sustainability initiatives	243	22	383	354
Less: Business development costs	1,090	219	1,238	329
Less: General administration costs	3,382	2,047	7,457	3,996
Adjusted EBITDA	28,144	34,959	58,601	65,056
Revenue	36,490	40,939	74,245	76,305
Total margin	77 %	85 %	79 %	85 %

Endnote 5: Cash Costs and Cash Costs per GEO

Cash costs and cash costs per GEO are non-IFRS measures with no standardized meaning under IFRS and may not be comparable to similar measures presented by other issuers. Cash costs is calculated by starting with total cost of sales, then deducting depletion. Cash costs is then divided by GEOs sold, to arrive at cash costs per GEO. Cash costs and cash costs per GEO are only intended to provide additional information to investors and analysts and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Management uses cash costs and cash costs per GEO to evaluate our ability to generate positive cash flow from our portfolio of assets. Management and certain investors also use this information to evaluate the Company's performance relative to peers who present this measure on a similar basis. The following table reconciles cash costs and cash costs per GEO to cost of sales, the most directly comparable IFRS measure:

	Three months ended		Six months ended	
(\$ thousands, except GEOs	June 30		June 30	
and cash costs per GEO)	2022	2021	2022	2021
Cost of sales	\$ 15,208	\$ 17,874	\$ 31,419	\$ 33,883
Less: Depletion	11,485	14,083	24,664	27,114
Cash costs	3,723	3,791	6,755	6,769

GEOs	19,507	22,537	39,620	42,251
Cash costs per GEO	191	168	170	160

^a Results are unaudited.

^b Triple Flag's royalty relates to [Talon Metals Corp.](#)'s interest in the Tamarack project which is premised to reach 60% after full earn-in by Talon. Talon's interest is currently at 51%.

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