



ECORA ROYALTIES (TSX:ECOR)

TRADING UPDATE NOTE

SUMMARY

Ecora Royalties released its Q1 2026 trading update with results slightly missing consensus estimates due to the timing of cobalt deliveries. Regardless of one quarter's results, growth in the base metals portfolio continues to point to strong overall royalty growth over the next few years. We maintain our target price and positive outlook.

BOTTOM LINE

- The base metals segment was the primary growth driver in Q1 2026, delivering a portfolio contribution of \$8.3m — a 152% increase over the \$3.3m recorded in Q1 2025 even with certain Cobalt deliveries bleeding into Q2. The segment's momentum is expected to carry strongly into Q2, with 98 tonnes of cobalt already set for April delivery — more than the entirety of Q1.
- The specialty metals and uranium segment produced \$2.3m in portfolio contribution, a solid 35% improvement over the \$1.7m recorded in Q1 2025. The most notable shift within the segment was Four Mile, which contributed \$1.1m compared to just \$0.1m in the prior year period, reflecting a return to normalised uranium sales after the operator had been stockpiling production in early 2025.
- **Valuation:** We still expect Ecora to generate an attractive total return CAGR of 15%-16% over the next 5 years if it reaches our \$4.50/sh target price by 2030. There is upside to our price target if management can grow royalty income faster than the 12% CAGR we currently expect over the next 5 years.

RATING: **BUY**
 TARGET: **C\$4.50**
 POTENTIAL RETURN: **84%**

May 4th, 2026
 Metals & Mining

*Distributed on behalf of
 Ecora Royalties*

KEY STATISTICS

Market Cap (C\$M): 619M
 Enterprise Value (C\$M): 696M
 Common Shares (M): 249M
 Inst. Ownership (%): 40%
 Avg Volume (30 Days): 500k

VALUATION

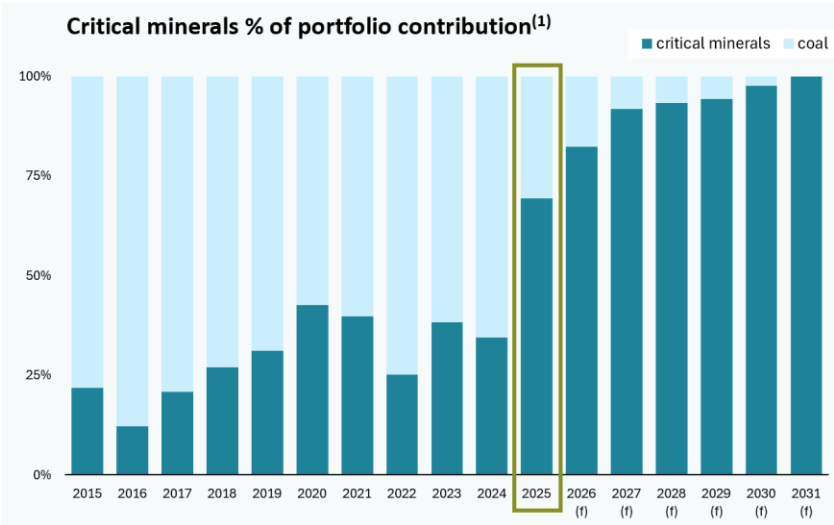
EV/EBITDA (FTM): 10x
 P/E (Est): 0.66x
 P/NPV: 0.65x

KEY ASSETS



Base Metals Continue to Grow Strongly in Q1 2026

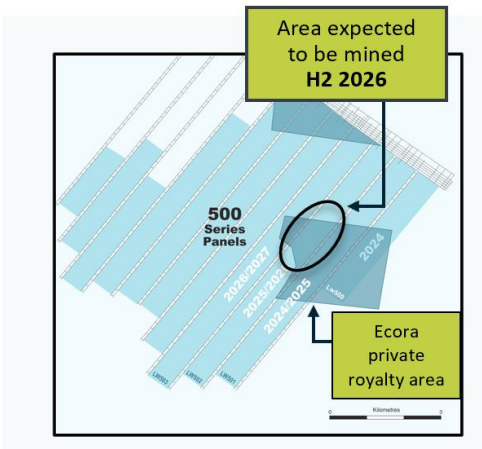
A one quarter miss to earnings from the timing of deliveries does not change our multi-year outlook for Ecora. The company continues to quickly transition away from the legacy coal business which will lead to an increase in margins and a more stable quarterly royalty income profile.



Source: Ecora YE 2025 Investor Presentation *2015-2025 actuals; 2026-2030 based on analyst consensus forecasts.

This year will be the last meaningful year of royalties from Kestrel. Ecora’s financials clearly show it is a growing, copper, cobalt and rare earth’s focused royalty company in 2026, which could bring in additional capital from investor’s who previously wrote the company off as a coal royalty stream in decline. Management is guiding to income from Kestrel in the second half of 2026 driving good growth into year end. 2026 will be the final year of meaningful income from the Kestrel coal royalty.

Mining Forecast Diagram for Kestrel



Source: Ecora Royalties

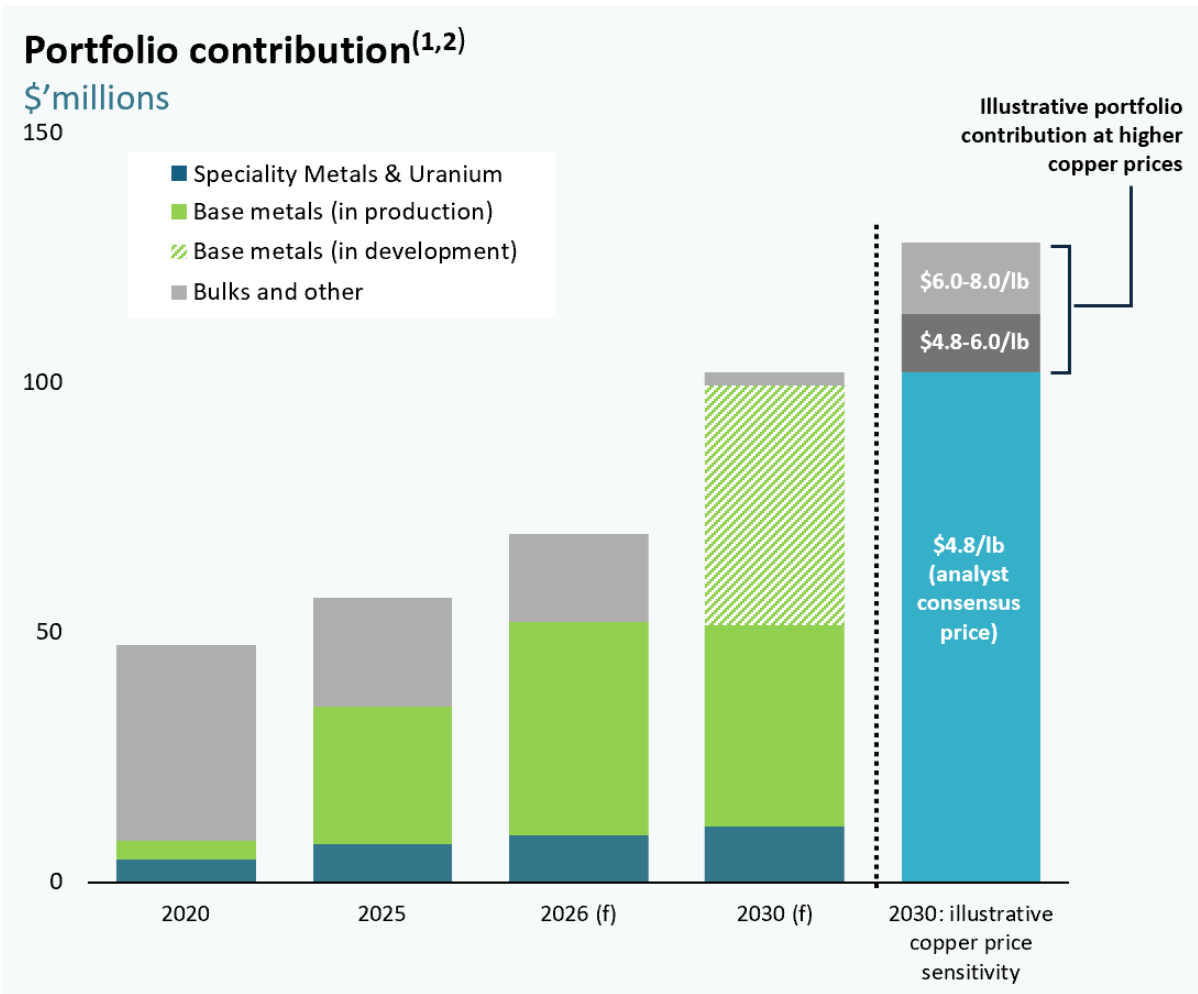
2025 was the Income Trough for Ecora

Ecora has already been successful in acquiring royalties to replace Kestrel and even without additional asset purchases, analyst consensus predicts royalty income can hit close to \$100 million in the medium term, compared to \$57 million in 2025.

2025 likely marked the royalty income trough and Ecora management is guiding to royalty volume growth through the remainder of 2026 and beyond.

Growth will be driven by exposure to critical minerals such as copper, cobalt, uranium and rare earths.

Consensus Royalty Growth Outlook



i. Source: Ecora research analyst consensus forecasts; Ecora analyst 2030 copper consensus forecasts on \$4.77/lb. Research analyst consensus (Atrium, Berenberg, Canaccord Genuity, Peel Hunt, RBC, Scotiabank) with the following price assumptions: Copper: 2026 \$5.71/lb, 2030 \$4.77/lb. Cobalt (alloy grade): 2026 \$25.1/lb, 2030 \$21.0/lb. Steel-making coal: 2026 \$213/t, 2030 \$206/t. Nickel: 2026 \$7.89/lb, 2030 \$8.41/lb.

Quarterly Review

Ecora reported Q1 2026 total portfolio contribution of \$12.3m, coming in approximately 10% below the consensus estimate of \$13.7m, though still representing a strong 105% increase year-over-year versus Q1 2025's \$6.0m. Sequentially, the result was down 14% from Q4 2025's \$14.3m, with the miss versus both consensus and the prior quarter attributable to a handful of specific timing and pricing factors rather than broad portfolio deterioration.

The biggest single driver of the consensus shortfall was Voisey's Bay, which contributed \$4.4m against an expectation of \$6.0m, as a number of cobalt shipments slipped past the quarter-end due to shipping timelines. Kestrel also did not contribute to results this quarter as mining operations were outside Ecora's private royalty area. Management is guiding to production from Kestrel in the second half of the year, likely driving a strong finish to 2026.

Quarterly Results vs Consensus Table

	Q1/26 (US\$M)	Consensus (US\$M)	Variance (%)
Base Metals			
Voisey's Bay (Cobalt)	\$4.4	\$6.0	-27%
Mantos Blancos (Copper)	\$2.4	\$2.5	-4%
Mimbula (Copper)	\$2.9	\$2.8	4%
Carlota (Copper)	\$0.2	\$0.2	0%
Metal Stream Cost of Sales	(\$1.6)	(\$1.9)	-16%
	\$8.3	\$9.4	-12%
Speciality Metals & Uranium			
McClellan Lake (Uranium)	\$0.8	\$0.8	0%
Maracas Lake (Vanadium)	\$0.4	\$0.7	-43%
Four Mile (Uranium)	\$1.1	\$0.9	22%
	\$2.3	\$2.2	5%
Bulks & Other			
Kestrel (Steelmaking Coal)	\$0.0	\$0.8	-100%
EVBC (Gold)	\$1.7	\$1.2	28%
Other	\$0.0	\$0.1	-100%
	\$1.7	\$2.1	-19%
Total Portfolio Contribution	\$12.3	\$13.7	-10%

Source: Bloomberg

Base Metals

The base metals segment was the primary growth driver in Q1 2026, delivering a portfolio contribution of \$8.3m — a 152% increase over the \$3.3m recorded in Q1 2025. Voisey's Bay was the standout performer, with 70 tonnes of attributable cobalt received generating a net contribution of \$3.6m, aided significantly by a much higher average realised cobalt price of \$28.66/lb compared to \$13.28/lb a year earlier. The segment's momentum is expected to carry strongly into Q2, with 98 tonnes of cobalt already set for April delivery — more than the entirety of Q1 — alongside contributions from Mimbula's copper stream and improved copper pricing at Mantos Blancos.

Specialty Metals & Uranium

Compared to the same quarter in 2025 the segment produced a solid 35% improvement over the \$1.7m recorded in Q1 2025. The most notable shift within the segment was Four Mile, which contributed \$1.1m compared to just \$0.1m in the prior year period, reflecting a return to normalised uranium sales after the operator had been stockpiling production in early 2025. Maracás Menchen vanadium was the segment's weak spot, coming in at \$0.4m versus a \$0.7m consensus estimate (-43%), though flat year-over-year and sequentially.

Rainbow Rare Earths added a forward-looking positive signal with a \$14.6m equity raise to advance its Phalaborwa definitive feasibility study, with subscribers including Traxys Group, a supplier connected to the U.S. government's \$12 billion strategic critical minerals fund.

Bulks & Other

The bulks and other segment missed consensus at \$1.7m versus \$2.1m expected (-19%), This growth was driven entirely by EVBC, whose gold royalty contribution surged 112% year-over-year to \$1.7m, benefiting from a strong gold price environment. The Kestrel coal royalty contributed nothing in the quarter, as expected, since mining operations were outside Ecora's private royalty area; this is not anticipated to change until Q3 2026.

Quarterly Review by Royalty

	Q1/26 (US\$M)	Q1/25 (US\$M)	YoY (%)	Q4/25 (US\$M)	QoQ (%)
Base Metals					
Voisey's Bay (Cobalt)	\$4.4	\$1.6	175%	\$6.5	-32%
Mantos Blancos (Copper)	\$2.4	\$1.8	33%	\$3.1	-23%
Mimbula (Copper)	\$2.9	N/A	N/A	\$1.8	61%
Carlota (Copper)	\$0.2	\$0.2	0%	\$0.2	0%
Metal Stream Cost of Sales	(\$1.6)	(\$0.3)	433%	(\$1.7)	6%
Sub-Total	\$8.3	\$3.3	152%	\$9.9	-16%
Speciality Metals & Uranium					
McClellan Lake (Uranium)	\$0.8	\$1.2	-33%	\$0.7	14%
Maracas Lake (Vanadium)	\$0.4	\$0.4	0%	\$0.4	0%
Four Mile (Uranium)	\$1.1	\$0.1	1000%	\$0.7	57%
Sub-Total	\$2.3	\$1.7	35%	\$1.8	28%
Bulks & Other					
Kestrel (Coal)	\$0.0	\$0.1	N/A	\$1.7	N/A
EVBC (Gold)	\$1.7	\$0.8	113%	\$0.9	89%
Other	\$0.0	\$0.1	N/A	N/A	N/A
Sub-Total	\$1.7	\$1.0	70%	\$2.6	-35%
Total Portfolio Contribution	\$12.3	\$6.0	105%	\$14.3	-14%

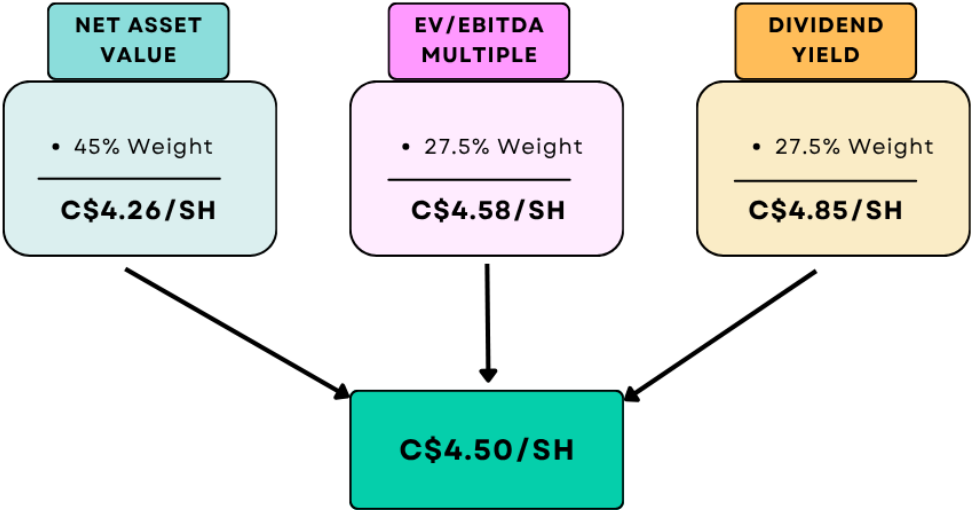
Source: Bloomberg

Valuation

Our valuation continues to be driven off a blended target price from three different valuation methods, net asset value, EV to EBITDA and dividend yield. Ecora offers significant upside on all metrics.

The company is still a year into the meaningful transition away from the coal business and we think there remains an opportunity for multiple expansion as investors finally realize that the Ecora of 2026 has a far different risk and growth profile compared to the Ecora of years past.

Ecora Target Price Breakdown



About Capital10x

Capital10X provides institutional quality research on public equities in North America. Our investment philosophy takes a medium-term view on equities currently being overlooked by the market. Our research process emphasizes understanding the key performance metrics for each specific company, quality of management, unit economics, and an in-depth valuation analysis. For further information, please visit <http://www.capital10x.com>

Analyst Certification

Each authoring analyst on this report certifies that (1) the recommendations and opinions expressed in this research accurately reflect the authoring analyst's personal, independent and objective views about any and all of the designated securities discussed (2) no part of the authoring analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the research, (3) to the best of the authoring analyst's knowledge, she/he is not in receipt of material non-public information about the issuer, (4) the analyst does not own common shares, options, or warrants in the company under coverage.

General Information

Capital 10X Research has created and distributed this report. This report is based on information we considered reliable; we have not been provided with any material non-public information by the company (or companies) discussed in this report. We do not represent that this report is accurate or complete and it should not be relied upon as such; further any information in this report is subject to change without any formal or type of notice provided. Investors should consider this report as only one factor in their investment decisions; this report is not intended as a replacement for investor's independent judgment. Capital10x is not an IIROC registered dealer and does not offer investment-banking services to its clients. Capital10x (and its employees) do not own, trade or have a beneficial interest in the securities of the companies we provide research services for and does not serve as an officer or Director of the companies discussed in this report. Capital10x does not make a market in any securities. This report is not disseminated in connection with any distribution of securities and is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. Capital10x does not make any warranties, expressed or implied, as to the results to be obtained from using this information and makes no express or implied warranties for particular use. Anyone using this report assumes full responsibility for whatever results they obtain. This does not constitute a personal recommendation or take into account any financial or investment objectives, financial situations or needs of individuals. This report has not been prepared for any particular individual or institution. Recipients should consider whether any information in this report is suitable for their particular circumstances and should seek professional advice. Past performance is not a guide for future results, future returns are not guaranteed, and loss of original capital may occur. Neither Capital10x nor any person employed by Capital10x accepts any liability whatsoever for any direct or indirect loss

resulting from any use of its research or the information it contains. This report contains "forward looking" statements.

Forward-looking statements regarding the Company and/or stock's performance inherently involve risks and uncertainties that could cause actual results to differ from such forward-looking statements. Such statements involve a number of risks and uncertainties such as competition, technology shifts, market demand and the company's (and management's) ability to correctly forecast financial estimates; please see the company's MD&A "Risk Factors" Section for a more complete discussion of company specific risks for the company discussed in this report.

Capital10x has received cash compensation from Ecora for 12 months of research coverage. This report was disseminated on behalf of Ecora. Capital10x retains full editorial control over its research content. Capital10x does not have investment banking relationships and does not expect to receive any investment banking driven income. Capital10x reports are primarily disseminated electronically and, in some cases, printed form. Electronic reports are simultaneously available to all recipients in any form. Reprints of Capital10x reports are prohibited without permission.

To receive future reports on covered companies please visit <https://www.capital10x.com> and subscribe to our website.

This report has been prepared independently of any issuer of securities mentioned herein and not as agent of any issuer of securities. No Capital10x personnel have authority whatsoever to make any representations or warranty on behalf of the Company. Any comments or statements made herein are those of Capital10x only. The information contained herein is not, and under no circumstances is to be construed as, an offer to sell securities described herein, or solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof.

Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators, if applicable, and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. The information contained herein is under no circumstances to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities must be conducted through a dealer registered in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed judgment upon this research report, the information contained herein or the merits of the securities described herein, and any representation to the contrary is an offence. The information contained in this report is intended to be viewed only in jurisdictions where it may be legally viewed and is not intended for use by any person or entity in any jurisdiction where such use would be contrary to local regulations or which would require any registration requirement within such jurisdiction. discussed in this report.