



ECORA ROYALTIES (TSX:ECOR)

Q3 2026 EARNINGS NOTE

SUMMARY

Ecora Royalties released its Q3 2026 trading update with total portfolio contribution of \$24.8m, beating consensus estimates of \$23.0m as Kestrel's return to royalty generation drove the beat. Results were broadly flat year-over-year in Q3 though up 31% YTD, with the critical minerals portfolio continuing to grow even as Voisey's Bay stepped back from Q2's delivery catch-up. We maintain our target price and positive outlook.

BOTTOM LINE

- Base metals contributed \$11.6m in Q3 2026, up 17% over the \$9.9m recorded in Q3 2025 but down 18% versus Q2 2026's record \$14.1m as Voisey's Bay cobalt deliveries normalized after Q2's catch-up. Voisey's Bay received 154 tonnes of attributable cobalt (Q2 2026: 196 tonnes) generating a gross contribution of \$8.9m at an average realised price of \$26.20/lb, still comfortably ahead of the \$6.0m and \$18.13/lb realised a year earlier.
- Bulks & Other was the standout performer in Q3, contributing \$11.6m and beating consensus estimates of \$9.5m by a solid margin. Kestrel mining operations remained within Ecora's private royalty area throughout the quarter, generating \$10.2m of portfolio contribution, on track with FY2026 guidance of 1.0-1.2mt, with 1.0mt already achieved year-to-date.
- **Valuation:** We expect Ecora to generate an attractive total return CAGR of 15%-16% over the next 4+ 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 4+ years.

RATING: **BUY**
 TARGET: **C\$4.50**
 POTENTIAL RETURN: **56%**

October 29th, 2026
 Metals & Mining

***Distributed on behalf of
 Ecora Royalties***

KEY STATISTICS

Market Cap (C\$M): 721M
 Enterprise Value (C\$M): 820M
 Common Shares (M): 250M
 Inst. Ownership (%): 40%
 Avg Volume (30 Days): 597k

VALUATION

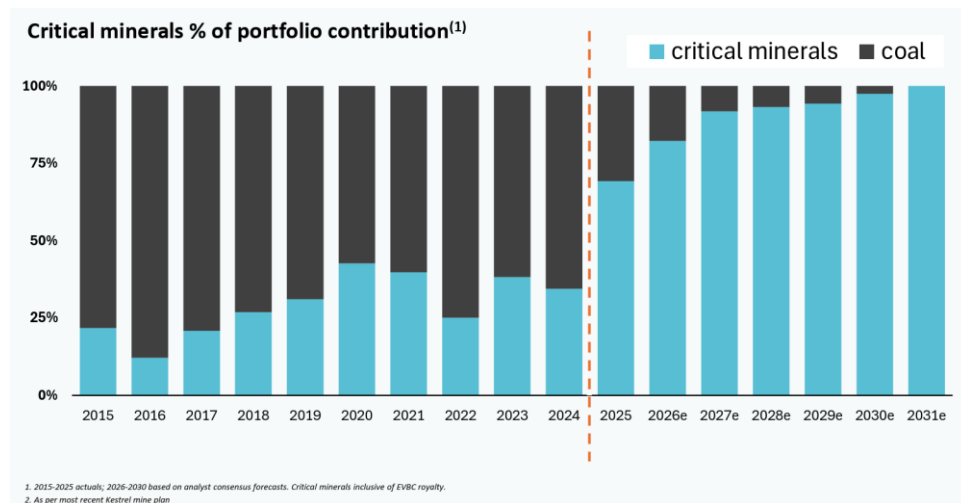
EV/EBITDA (FTM): 11x
 P/E (Est): 14.9x
 P/NPV: 0.80x

KEY ASSETS



Base Metals Normalize as Kestrel Returns to Royalty Generation in Q3 2026

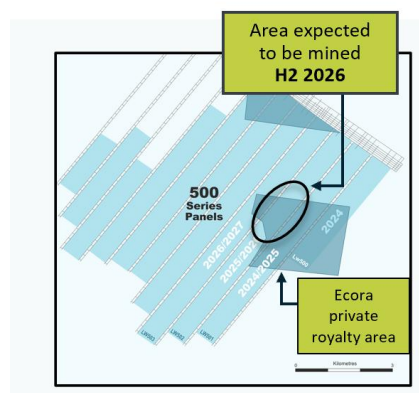
Q3 2026 results confirm our multi-year outlook for Ecora, with the base metals portfolio continuing to grow in the double digits on a year-over-year basis. The company continues to quickly transition away from the legacy coal business which will lead to an increase in margins and a more stable quarterly royalty income profile. We believe the 50% EV/EBITDA multiple discount to peers should close over time, with more stable quarterly results.



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

Mining operations at Kestrel remained within the Group's private royalty area throughout Q3 2026, generating \$10.2m of portfolio contribution from 0.9mt of saleable production — comfortably ahead of expectations and keeping the Group on track for its unchanged FY2026 guidance of 1.0-1.2mt, with 1.0mt already achieved year-to-date.

Mining Forecast Diagram for Kestrel



Source: Ecora Royalties

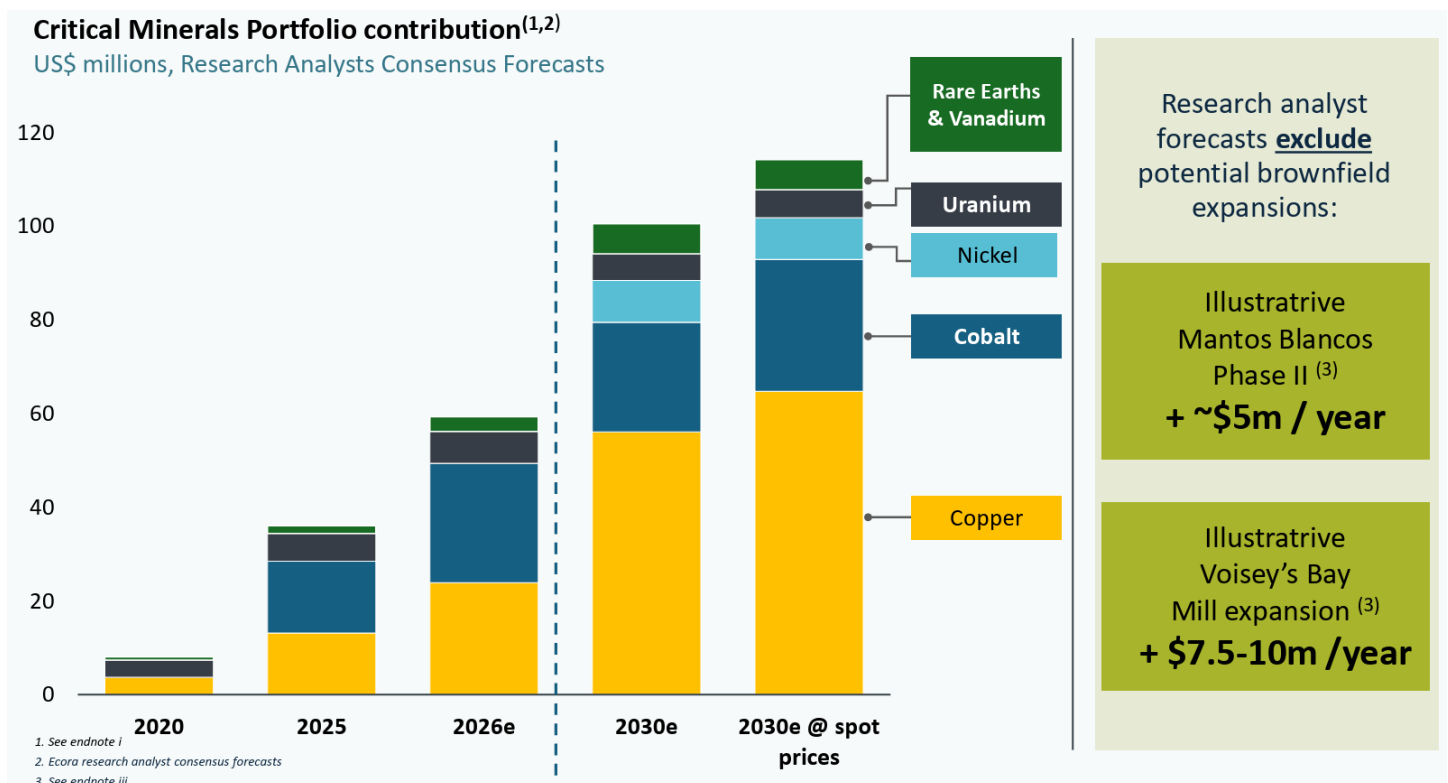
2025 was the Income Trough for Ecora

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



Quarterly Review

Ecora reported Q3 2026 total portfolio contribution of \$24.8m, comfortably beating the consensus estimate of \$23.0m (+8%) but was essentially flat year-over-year versus Q3 2025's \$25.0m (-1%). Sequentially, the result was up 31% from Q2 2026's \$19.0m, as mining returned to Ecora's royalty area at Kestrel. Kestrel more than offset normalization in Voisey's Bay cobalt deliveries following Q2's catch-up. Nine-month 2026 portfolio contribution totaled \$56.2m, a 32% increase over 9M 2025's \$42.6m, with ex-Kestrel portfolio contribution up 66% year-to-date to \$44.7m (9M 2025: \$26.9m), underscoring the underlying growth in the critical minerals portfolio.

The biggest single driver of the consensus beat was Kestrel, which contributed \$10.2m against a consensus expectation of \$8.4m (+21%), as mining operations remained within Ecora's private royalty area for the entirety of the quarter. Voisey's Bay also beat consensus even with normalizing volumes, contributing \$8.9m against an estimate of \$8.3m (+7%).

Quarterly Results vs Consensus Table

	Q3/26 (US\$M)	Consensus (US\$M)	Variance (%)
Base Metals			
Voisey's Bay (Cobalt)	\$8.9	\$8.3	+7%
Mantos Blancos (Copper)	\$2.6	\$2.6	0%
Mimbula (Copper)	\$2.4	\$2.3	+4%
Carlota (Copper)	\$0.1	\$0.2	-50%
Metal Stream Cost of Sales	(\$2.4)	(\$2.4)	0%
	\$11.6	\$10.9	+6%
Specialty Metals & Uranium			
McClellan Lake (Uranium)	\$0.6	\$0.8	-25%
Maracás Menchen (Vanadium)	\$0.5	\$0.7	-29%
Four Mile (Uranium)	\$0.5	\$0.8	-38%
	\$1.6	\$2.4	-33%
Bulks & Other			
Kestrel (Steelmaking Coal)	\$10.2	\$8.4	+21%
EVBC (Gold)	\$1.4	\$1.2	+17%
Other	\$0.0	\$0.1	-100%
	\$11.6	\$9.5	+22%
Total Portfolio Contribution	\$24.8	\$23.0	+8%

Source: Bloomberg

Base Metals

The base metals segment contributed \$11.6m in Q3 2026, up 17% year-over-year from the \$9.9m recorded in Q3 2025 but down 18% versus Q2 2026's record \$14.1m as Voisey's Bay cobalt deliveries normalized.

Voisey's Bay received 154 tonnes of attributable cobalt (Q2 2026: 196 tonnes) generating a gross contribution of \$8.9m at an average realised price of \$26.20/lb, still comfortably ahead of the \$6.0m and \$18.13/lb realised a year earlier. Mantos Blancos contributed \$2.6m, flat year-over-year, as Capstone Copper continues to progress a Phase II expansion Pre-Feasibility Study targeting increased throughput and cathode production via historical tailings re-leaching, with release expected toward the end of 2026. Mimbula generated a portfolio contribution of \$2.4m, up from \$1.5m in Q3 2025, with the stream's Q3 copper entitlement of 250 tonnes expected to generate \$2.5m of portfolio contribution in Q4 2026.

Specialty Metals & Uranium

The specialty metals and uranium segment produced \$1.6m of portfolio contribution, down 16% year-over-year from the \$1.9m recorded in Q3 2025 and down 33% sequentially from Q2 2026's \$2.4m. Maracás Menchen vanadium contributed \$0.5m, in line with the \$0.5m realised in Q3 2025, after operator Largo Resources USA received a \$60.1m firm fixed price delivery order from the U.S. Defense Logistics Agency for the National Defense Stockpile, underscoring the strategic importance of the operation's premium-quality vanadium outside of China and Russia.

Rainbow Rare Earths continued to advance its Phalaborwa definitive feasibility study, with 75% of the flowsheet now in the engineering phase and, on September 24th, signed a Memorandum of Understanding with Neo Performance Materials for technical support and design input on the project's final solvent extraction separation circuit; Rainbow intends to publish an updated Pre-Feasibility Study in Q4 2026 ahead of a Definitive Feasibility Study planned for H1 2027.

Bulks & Other

The bulks and other segment contributed \$11.6m, down 12% year-over-year from \$13.2m but up 364% sequentially from Q2 2026's \$2.5m, driven by Kestrel's full-quarter return to Ecora's private royalty area. EVBC's gold royalty contribution rose 100% year-over-year to \$1.4m, benefiting from a strong gold price environment.

Royalty Growth Table

	Q3/26 (US\$M)	Q3/25 (US\$M)	YoY (%)	Q2/26 (US\$M)	QoQ (%)
Base Metals					
Voisey's Bay (Cobalt)	\$8.9	\$7.4	+20%	\$12.3	-28%
Mantos Blancos (Copper)	\$2.6	\$2.6	0%	\$2.4	+8%
Mimbula (Copper)	\$2.4	\$1.5	+60%	\$2.1	+14%
Carlota (Copper)	\$0.1	\$0.2	-50%	\$0.2	-50%
Metal Stream Cost of Sales	(\$2.4)	(\$1.8)	+33%	(\$2.9)	-17%
Sub-Total	\$11.6	\$9.9	+17%	\$14.1	-18%
Specialty Metals & Uranium					
McClellan Lake (Uranium)	\$0.6	\$0.8	-25%	\$0.6	0%
Maracás Menchen (Vanadium)	\$0.5	\$0.5	0%	\$0.8	-38%
Four Mile (Uranium)	\$0.5	\$0.6	-17%	\$1.0	-50%
Sub-Total	\$1.6	\$1.9	-16%	\$2.4	-33%
Bulks & Other					
Kestrel (Coal)	\$10.2	\$12.5	-18%	\$1.3	+685%
EVBC (Gold)	\$1.4	\$0.7	+100%	\$1.2	+17%
Other	\$0.0	\$0.0	-	\$0.0	-
Sub-Total	\$11.6	\$13.2	-12%	\$2.5	+364%
Total Portfolio Contribution	\$24.8	\$25.0	-1%	\$19.0	+31%

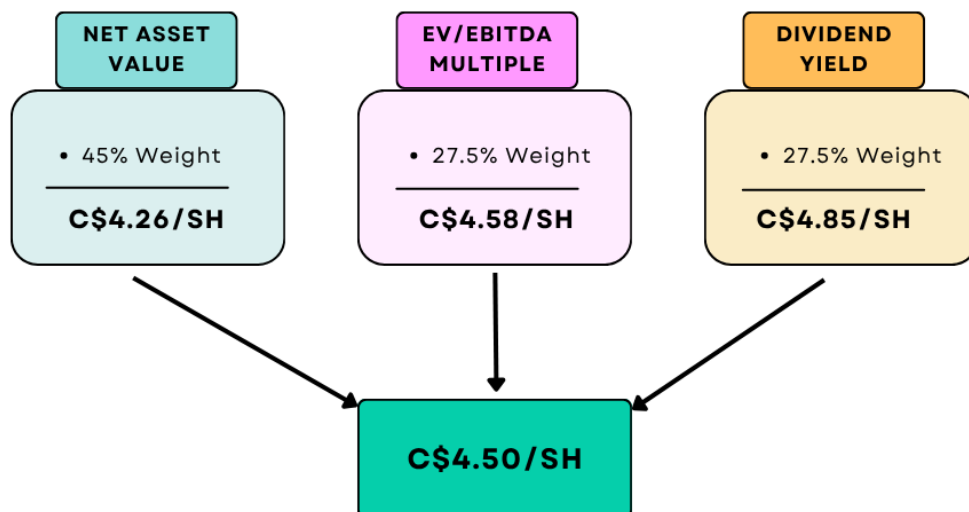
Source: Bloomberg, Ecora Royalties

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



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