



ELEMENTAL ROYALTY CORPORATION

NASDAQ STATEMENT OF GOVERNANCE DIFFERENCES

As a Canadian corporation listed on the Nasdaq Capital Market tier of the Nasdaq Stock Market (“**Nasdaq**”), we are not required to comply with certain Nasdaq corporate governance standards. Section 5615(a)(3) of the Nasdaq Stock Market Rules permits Nasdaq to grant exemptions to a foreign private issuer for certain provisions of the Rule 5600 series, Rule 5250(b)(3) and Rule 5250(d). We are organized under the laws of British Columbia, Canada, and our common shares are listed for trading on the TSX Venture Exchange (“**TSXV**”). We comply with the applicable laws of Canada and rules and regulations of the TSXV, including rules related to corporate governance practices. A description of the significant ways in which our corporate governance practices differ from those followed by U.S. domestic companies pursuant to the Nasdaq Stock Market Rules is as follows:

Quorum Requirements: Rule 5620(c) of the Nasdaq Stock Market Rules requires that the minimum quorum requirement for any meeting of a company’s shareholders be 33 1/3% of the outstanding voting shares. In addition, Rule 5620(c) requires that an issuer listed on Nasdaq state its quorum requirement in its bylaws. Our quorum requirement for a meeting of shareholders is set forth in our Articles, as permitted under Section 172(1) of the *Business Corporations Act* (British Columbia). Our Articles set out a quorum requirement for the transaction of business at a meeting of shareholders as being two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of our issued and outstanding common shares entitled to vote at the meeting.

The foregoing is not inconsistent with the applicable laws in Canada or the rules of the TSXV.