



ELEMENTAL ROYALTY CORPORATION (“COMPANY”)

COMPENSATION COMMITTEE CHARTER

1. Purpose.

The Compensation Committee (the “**Compensation Committee**”) of the Company is responsible for assisting the Board in its oversight responsibilities relating to the compensation of the executive officers and directors of the Company, including the Chief Executive Officer (the “**CEO**”), the President and Chief Operating Officer (the “**President & COO**”), the Chief Financial Officer (the “**CFO**”), the Chief Investment Officer (the “**CIO**”), the Head of Acquisitions (the “**HOA**”), the Chief Legal Officer (the “**CLO**”) and the Executive Vice President, Business Development (the “**EVP**”, and together with the CEO, President & COO, CFO, CIO, HOA and CLO, the “**Executive Officers**”).

2. Reporting.

The Compensation Committee will report to the Board.

3. Composition of Committee.

The Compensation Committee shall consist of such number of directors, in no event to be less than three, as the Board may from time to time by resolution determine. All members of the Compensation Committee shall be independent within the meaning of National Instrument 58-101 – *Corporate Governance* of the Canadian Securities Administrators, and under other applicable laws, rules and regulations and applicable stock exchange listing requirements as determined by the Board. In determining independence for service on the Compensation Committee, the Board shall consider (i) the source of compensation of such member, including any consulting, advisory or other compensatory fee paid by the Company to such member; and (ii) whether the member is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company. Each member of the Compensation Committee shall continue to be a member until the next annual meeting of the shareholders of the Company or a successor is appointed, unless the member resigns, is removed or ceases to be a director of the Company. The Board may fill a vacancy that occurs in the Compensation Committee at any time. The Committee may form and delegate authority to subcommittees when and where appropriate.

3. Meetings.

The Chair of the Compensation Committee, in consultation with the Compensation Committee members, shall determine the schedule and frequency of the Compensation Committee meetings provided that the Compensation Committee will meet at least two times in each fiscal year. The Compensation Committee shall have the authority to convene additional meetings as circumstances require.

Proceedings and meetings of the Compensation Committee are governed by the provisions of

the constating documents of the Company relating to the regulation of the meetings and proceedings of the Board as they are applicable and not inconsistent with this Charter and the other provisions adopted by the Board in regards to committee composition and organization.

All members of the Compensation Committee are expected to attend all meetings and review, in advance, the meeting materials.

4. Quorum and Voting.

Unless otherwise determined from time to time by resolution of the Board, the quorum at any meeting of the Compensation Committee is a majority of members of the Compensation Committee. For any meeting(s) at which the Compensation Committee Chair is absent, the Chair of the meeting shall be the person present who shall be decided upon by all members present. At a meeting, any question shall be decided by a majority of the votes cast by members of the Compensation Committee, except where only two members are present, in which case any question shall be decided unanimously.

5. Meeting Agenda.

Agendas for meetings of the Compensation Committee shall be developed by the Chair of the Compensation Committee in consultation with the Company's management and the Corporate Secretary and shall be circulated to Compensation Committee members as far in advance of each Compensation Committee meeting as is reasonably practicable.

6. Records.

The Compensation Committee shall keep such records as it may deem necessary of its proceedings and shall report regularly its activities and recommendations to the Board as appropriate.

7. Resources and Authority.

The Compensation Committee shall have the resources and the authority to discharge its responsibilities, including the authority, in its sole discretion, to engage, at the expense of the Company, outside consultants, including compensation consultants, independent legal counsel and other advisors and experts as it determines necessary to carry out its duties, without seeking approval of the Board or management. The Compensation Committee shall have the authority, without seeking approval of the Board or management, to set, and the Company shall provide appropriate funding, as determined by the Compensation Committee for, the compensation for any such outside consultants, including compensation consultants, independent legal counsel and other advisors and experts employed by the Compensation Committee in connection with carry out its duties.

The Compensation Committee may select, or receive advice from, an outside consultant, including a compensation consultant, legal counsel or other adviser to the Compensation Committee, other than in-house legal counsel, only after taking into consideration the following factors:

- (a) the provision of other services to the Company by the person that employs the consultant, legal counsel or other adviser;
- (b) the amount of fees received from the Company by the person that employs the consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the consultant, legal counsel or other adviser;

- (c) the policies and procedures of the person that employs the consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- (d) any business or personal relationship of the consultant, legal counsel or other adviser with a member of the Compensation Committee;
- (e) any securities of the Company owned by the consultant, legal counsel or other adviser; and
- (f) any business or personal relationship of the consultant, legal counsel, other adviser or the person employing the adviser with an Executive Officer of the Company.

Nothing in this Charter shall be construed: (i) to require the Compensation Committee to implement or act consistently with the advice or recommendations of any consultant, including a compensation consultant, legal counsel or other adviser to the Compensation Committee; or (ii) to affect the ability or obligation of the Compensation Committee to exercise its own judgment in fulfillment of the duties of the Compensation Committee.

The Compensation Committee is required to conduct the independence assessment outlined in this Charter with respect to any consultant, including a compensation consultant, legal counsel or other adviser that provides advice to the Compensation Committee, other than in-house legal counsel. However, nothing in this Charter requires a consultant, legal counsel or other compensation adviser to be independent, only that the Compensation Committee consider the enumerated independence factors before selecting, or receiving advice from, a compensation adviser. The Compensation Committee may select, or receive advice from, any compensation adviser it prefers, including ones that are not independent, after considering the six independence factors outlined above.

8. Duties and Responsibilities.

The Compensation Committee shall perform the functions customarily performed by compensation committees and any other functions assigned by the Board.

Compensation

- (a) Oversee and recommend for approval by the Board the executive compensation principles, policies, programs, grants of equity-based incentives and processes based on the principles that compensation should, to a significant extent:
 - (i) Compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value;
 - (ii) Align management's interests with the long-term interests of shareholders;
 - (iii) Provide a compensation package that is commensurate with other precious metal royalty and streaming companies in order to enable the Company to attract and retain talent; and
 - (iv) Ensure that the total compensation package is designed in a manner that takes into account the constraints in which the Company operates.

- (b) Consider and recommend annually or as required for approval by the independent directors of the Board all forms of compensation for the Executive Officers.
- (c) Annually review directors' compensation and recommend any changes to the
- (d) Board for consideration.
- (e) Review with the CEO any proposed major changes in organization or personnel.
- (f) Review the annual overall performance of the CEO and report annually to the Board on this assessment. The CEO may not be present during any voting or deliberations on his or her compensation.
- (g) Oversee the implementation and administration of benefit plans and review any proposed major changes in benefit plans and recommend for approval any change requiring Board action.
- (h) Review, monitor, report, and where appropriate, provide recommendations to the Board on the Company's exposure to risks related to executive compensation policies and practices, if any, and identify compensation policies and practices that mitigate any such risk.

9. Limitation on the Oversight Role of the Compensation Committee.

Nothing in this Charter is intended, or may be construed, to impose on any member of the Compensation Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Compensation Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives financial and other information, and the accuracy of the information provided to the Company by such persons or organizations.

10. Evaluation of the Compensation Committee and Report to Board.

The Compensation Committee shall evaluate and review with the Board, on an annual basis, the performance of the Compensation Committee as a whole as well as the performance of each individual member while taking into account: (i) in the case of the Compensation Committee as a whole, the present Charter, and (ii) in the case of an individual member, the applicable position description(s), as well as the competencies and skills each individual director is expected to contribute to the Compensation Committee.

The Compensation Committee shall report to the Board periodically on the Compensation Committee's activities.

11. Review of Charter.

The Compensation Committee will, from time to time, review and assess the adequacy of this Charter and recommend any proposed changes for consideration. The Board may amend this Charter, as required.