



Continued Momentum in Sandbox Royalties Q1 2024 Financial Results

“The first quarter of 2024 was another successful one for Sandbox, generating record revenue of US\$2.7 million, an increase of more than 40% over last quarter,” said John Armstrong, CEO of Sandbox. “Cash flow from operations, before changes in non-cash working capital, also increased quarter on quarter by more than 100% to \$1.8 million in Q1, positioning us for a very strong 2024 and on pace to exceed guidance. Given the strength of our financial results, we elected to voluntarily repay US\$7.5 million on our revolving credit facility in Q1 and US\$1.0 million after quarter-end, bringing total repayments to nearly US\$15 million since the initial drawdown in October 2023. We remain well capitalized with almost US\$19 million of available credit plus a US\$15 million accordion feature on our revolving credit facility. Our efforts to continue to grow the Company through the acquisition of new royalty and streaming assets continue apace and we remain confident in our ability to grow aggressively in short order.”

First Quarter 2024 Financial Highlights

- Generated Revenues of US\$2.7 million;
- Cash Flow from Operating Activities, before changes in non-cash working capital of US\$1.8 million;
- Net Income before finance expense, taxation and depletion of US\$1.7 million; and
- Utilized excess cash balance and free cash flow from operating activities to voluntarily reduce indebtedness by US\$7.5 million, in addition to US\$6.3 million repayment in Q4 2023.

Portfolio Highlights

Greenstone Gold Mine (1.26% Gold stream)

Equinox Gold continues to report that the Greenstone mine is progressing towards commercial production in the third quarter of 2024 and announced its inaugural gold pour of 1,800 gold ounces on May 23. Additionally, on May 13 Equinox announced the closing of its acquisition of the remaining 40% of the Greenstone mine from Orion Mine Finance Management LP for US\$995 million.

As per the gold purchase agreement, Sandbox has been receiving monthly gold deliveries since November 2023, at the minimum amount of 350 ounces per month (Sandbox's 70% share). The gold is payable from any of Equinox's operating mines.

Mercedes Mine (2% NSR)

During the first quarter of 2024, the Mercedes mine produced 12,228 gold ounces and 44,040 silver ounces from 109,280 tonnes of ore. Bear Creek explained in their April 17, 2024 news release that Q1 2024 production results were positively impacted by increased gold grades and robust development. The average gold grade of ore processed increased to 3.69 gpt in Q1 2024 from 3.30 gpt in Q4 2023 and an average of 2.77 gpt over the full 2023 financial year. Development totaled 2,780 meters during the quarter, which is largely in line with the notably improved development in Q4 2023 and over three times the development meters accomplished in Q1 2023. Increasing development meters, which results in more working faces, has been a key component of Bear Creek's multi-faceted strategy to improve Mercedes' production.

Blackwater Mine (0.21% NSR)

On April 24, 2024, Artemis Gold issued a news release stating that the project remains fully funded, within the initial guidance for capital expenditure, and on schedule for the first gold pour in H2 2024. At March 31, 2024, overall construction was approximately 73% complete and approximately C\$523 million of the guided initial capital expenditure of C\$730 to C\$750 million had been spent. By the end of Q1 2024, Artemis Gold had entered into contractual commitments for C\$682 million (or 93% of the lower end of the guided initial capital expenditure). The majority of uncommitted expenditures relate to owners' cost and earthworks associated with mining pre-strip and construction of the tailings storage facility and other civil structures.

Sandbox intends to provide an update to shareholders and details regarding the financial results for the second quarter of 2024 in late August.

For more information about Sandbox Royalties, please visit our website at

www.sandboxroyalties.com

General inquiries email: **info@sandboxroyalties.com**.

About Sandbox Royalties

Sandbox is a private Vancouver-based diversified metals royalty company focused on acquiring and managing a portfolio of royalties on financially viable mining operations and projects across a diverse range of commodities, located in mining-friendly jurisdictions, and managed by strong operators.

The scientific and technical information contained in this news release has been reviewed and approved by Diego Airo, P.Eng, Vice President of Evaluations for Sandbox Royalties and a member of the Association of Professional Engineers and Geoscientists of the Province of British Columbia. Mr. Airo is a Qualified Person as defined in the National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

Sandbox uses certain performance measures in its analysis. These non-GAAP performance measures are included in this document because these statistics are key performance measures that management uses to monitor performance to assess how Sandbox is performing. These performance measures do not have a standard meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other companies.

Cautionary Note Regarding Forward-Looking Information

This news release contains forward-looking statements regarding: Sandbox's positioning for a very strong 2024 and being on pace to exceed guidance; Sandbox's ability to grow aggressively in short order; timing of commercial production of the Greenstone mine; anticipated release of second quarter results; and other statements regarding future plans, expectations, exploration potential, guidance, projections, objectives, estimates and forecasts as well as the company's expectations with respect to such matters. These forward-looking statements are provided as of the date of this news release, or the effective date of the documents referred to in this news release, as applicable, and reflect predictions, expectations or beliefs regarding future events based on the company's beliefs at the time the statements were made, as well as various assumptions made by and information currently available to them. In making the forward-looking statements included in this news release, the company has applied several material assumptions, including, but not limited to: the company's activities will be conducted in accordance with the company's public statements and stated goals; there will be no material adverse change affecting the company; trends in currency exchange rates; that the company will be successful in becoming a leading diversified metals royalty and streaming company; ability to meet current and future obligations and other assumptions. Although management considers these assumptions to be reasonable based on information available to it, they may prove to be incorrect. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, projections and other forward-looking statements will not be achieved or that assumptions on which they are based do not reflect future experience. We caution readers not to place undue reliance on these forward-looking statements as a number of important factors could cause the actual outcomes to differ materially from the expectations expressed in them. These risk factors may be generally stated as the risk that the assumptions expressed above do not occur, but specifically include, without limitation, risks relating to general market conditions. The foregoing list of factors that may affect future results is not exhaustive. Readers should carefully consider the foregoing factors and other uncertainties and potential events. The company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the company or on behalf of the company, except as required by law.