



TSX-V  
**MOX**

# A Royalty Company Built on Steel & Stone

February 2024

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See Forward-Looking Statements in Company's quarterly filings for more complete disclosure.

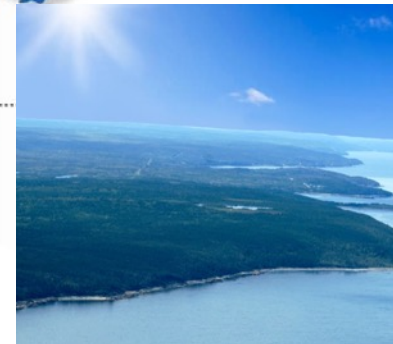
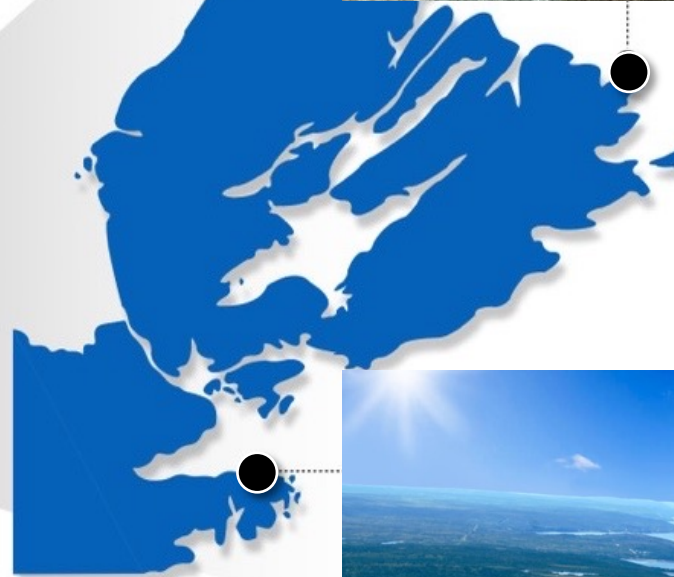


# Morien - A Bulk Commodity Royalty Company



## Donkin Steelmaking Coal Mine

- ▮ Status: Suspended pending review
- ▮ MOX Royalty: 2% to 4%
- ▮ Operator: The Cline Group
- ▮ Mine Life: 25-years



## Black Point Aggregate Project

- ▮ Status: Advancing toward development
- ▮ MOX Royalty: Per-tonne (undisclosed)
- ▮ Operator: Vulcan Materials Corp.
- ▮ Mine Life: 75-years



# Corporate Leadership



**John Budreski**

Executive Chairman

Capital Markets and executive management

Former Head of Investment Banking for Scotia Capital, former President & CEO of Orion Securities, and former Vice Chairman of Cormark Securities

Director of EnWave Corp, Sandstorm Gold and NuLegacy Gold



**Dawson Brisco**

Director, President, CEO

Professional geologist (bulk commodity focus)

Former Sr. Manager for Xstrata Coal exploration alliance in Asia. Former business and corporate development executive

Director of Atco Mining, and Mining Association of Nova Scotia



**Susanne Willett**

Chief Financial Officer

Qualified CPA, CA (energy focus)

Former Business Unit CFO & Director of Financial Planning & Treasury, and Controller for New Brunswick Power

Serves as CFO for Namibia Critical Metals



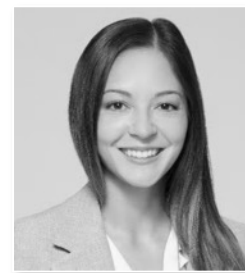
**Mary Ritchie**

Director, Audit Chair

FCPA, CPA, extensive audit chair experience

Former Director of CPP Investment Board, Alaris Equity Income Trust & past member of RBC Global Asset Management's oversight committee

Director of Nuvo Pharmaceuticals and EnWave Corporation



**Beau White**

Director

Royalty finance and accounting

Currently serves as the Director of Treasury and Finance at Sandstorm Gold Royalties. Former Audit & Assurance Manager for PwC

Chartered Professional Accountant (CPA, CA) & Chartered Financial Analyst (CFA)



**Charles Pitcher**

Director

Mining engineer (coal focus)

Former President of Wilson Creek Coal in Pennsylvania, former President and CEO of Western Canadian Coal, a steelmaking coal producer

Led the acquisition and development of major coal projects in western Canada



**John Byrne**

Director

Investment banking and corporate finance

Former senior executive with Levesque Beaubien Geoffrion (now NBF), former Vice Chairman or Enerplus Energy Services

Helped finance Canada's first oil and gas royalty trust



# Corporate Snapshot

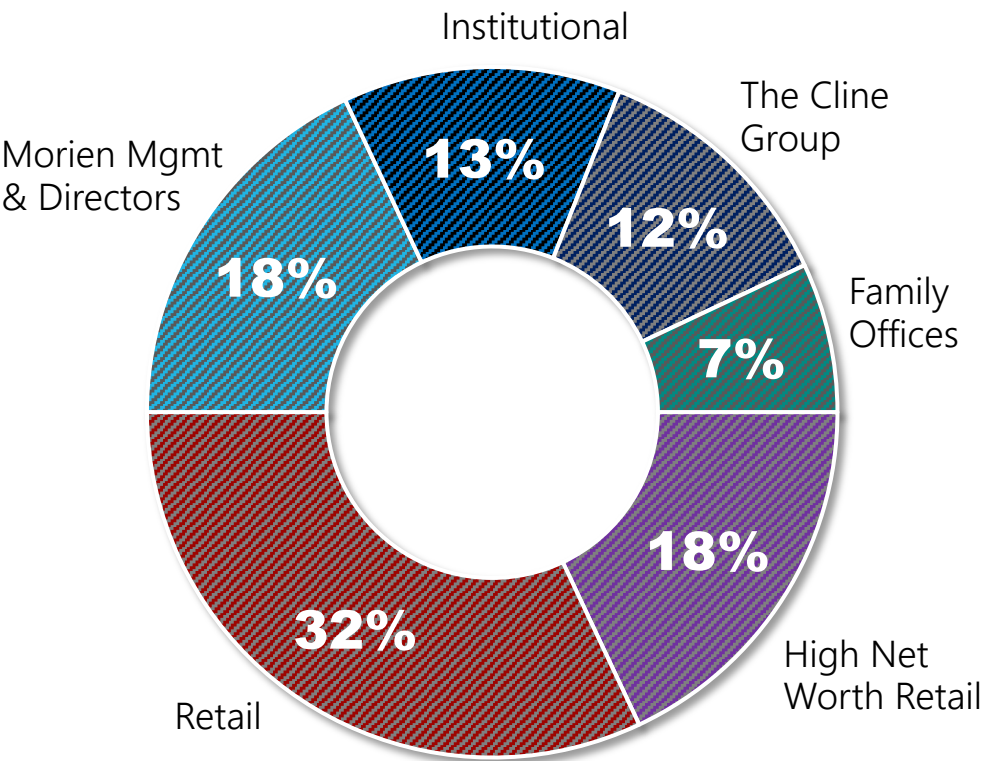
## Capital Structure

TSX-V: MOX

Basic shares o/s	51.3 mln
Options	2.9 mln
Warrants	nil
Fully diluted shares o/s	54.2 mln
Share price	\$0.40
52-week high / low	\$0.73 / \$0.30
Market cap	\$20 mln
Working capital	\$1.4 mln
Debt	nil

## Ownership

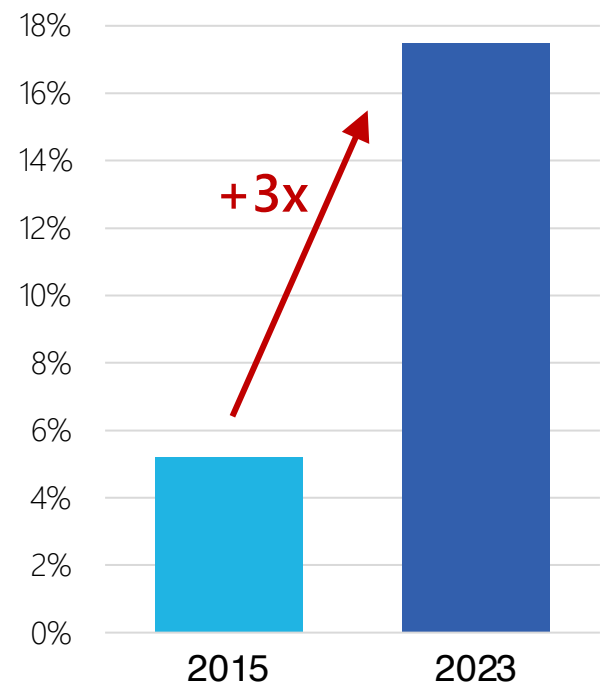
As of Feb 2024



# Unique Level of **Business Discipline**

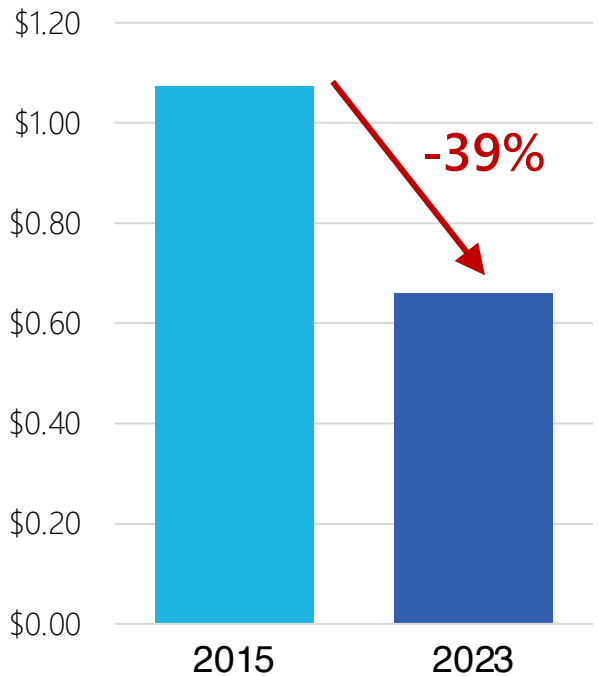
## Insider Ownership

% Ownership (Management & Directors)



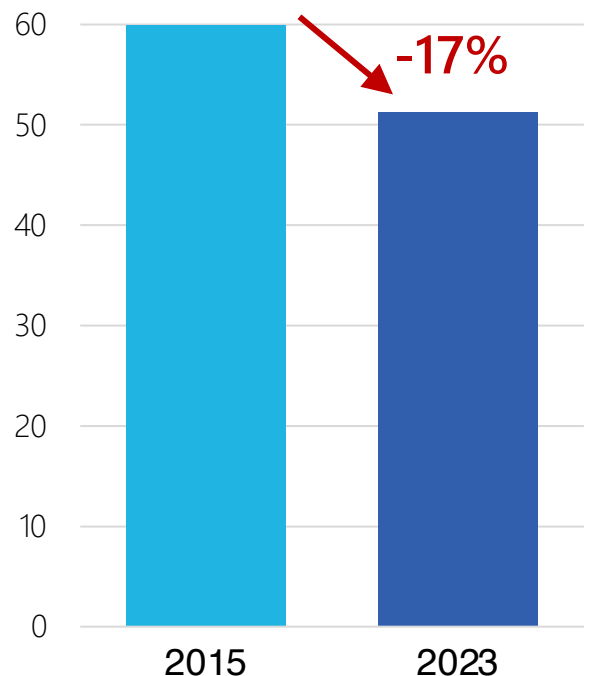
## Corporate Overheads

\$ Millions (General & Administrative)



## Shares Outstanding

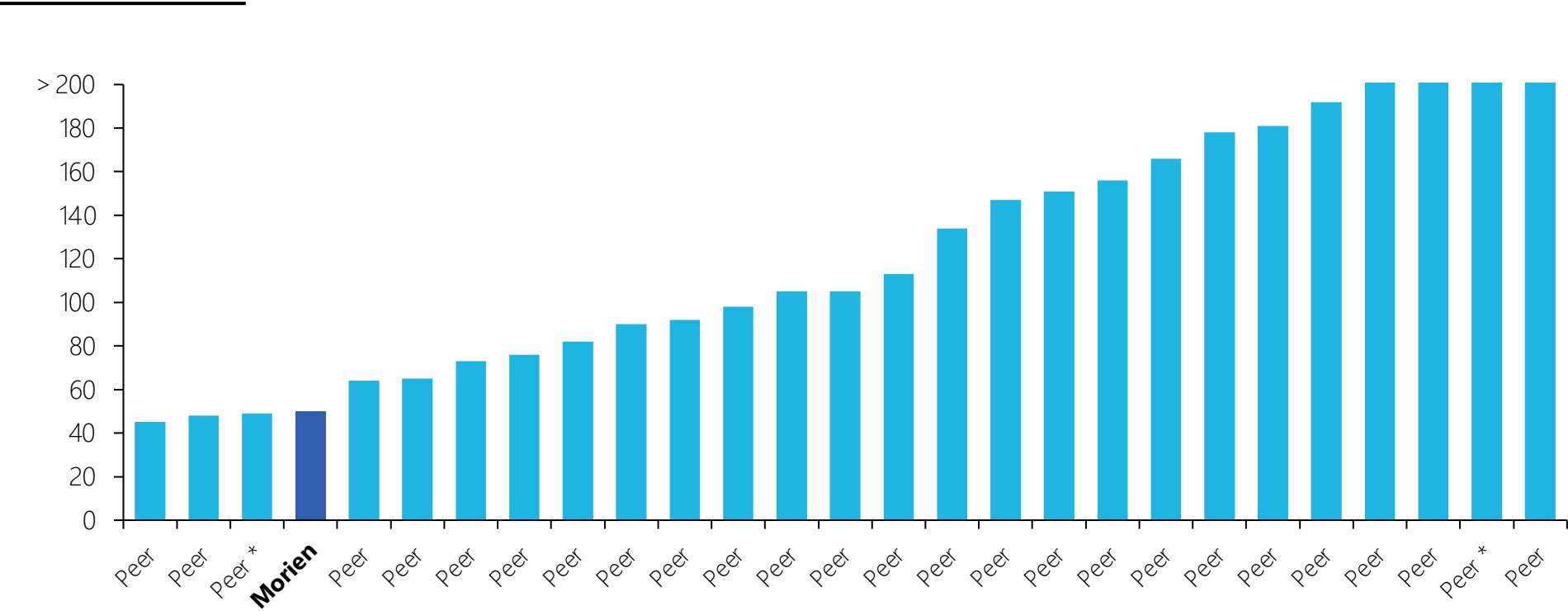
Millions, Total Common Shares



# Among **Lowest Share Count** vs. Royalty Peers

## Total Shares Outstanding of 27 TSX/TSXV Mining Royalty Companies<sup>1</sup>

27 North American, publicly-traded mining royalty companies<sup>1</sup>, million shares outstanding



\* Company has completed a share roll back





# **Donkin**

## Coal Mine

# The Donkin Mine



## The Cline Group

Owner/operator

**> \$300 Million**

Capital investment

**25 Years**

Mine life <sup>2</sup>

## Underground

Mine type

**Steelmaking Coal**

Product mix

**2% to 4%**

Morien royalty <sup>3</sup>



# Donkin's **Supportive Infrastructure**

## DEEPWATER HARBOUR

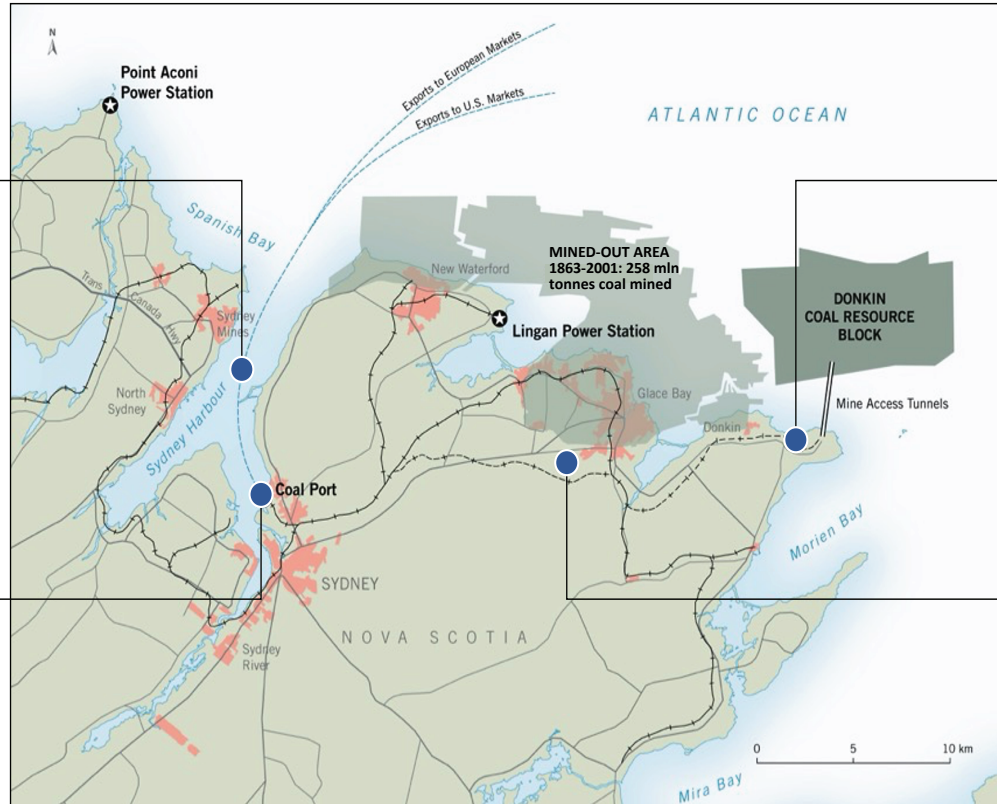


Ongoing \$4.5 mln program from Canadian Coast Guard to allow Capesize vessel entry.

## PEV COAL EXPORT TERMINAL



Barge-mounted shiploader recently purchased to expedite loading times.



## DONKIN MINE SITE



Over \$300 million invested by The Cline Group into the mine since 2015.

## PRIVATE COAL HAUL ROAD



Short, 30-kilometre truck haul to Sydney port, 8km of which is via a private haul road.



# Donkin Mine **Recent Events**

**July-2023**

Stop Work Order issued by regulator in response to roof fall at Mine

**Nov-2023**

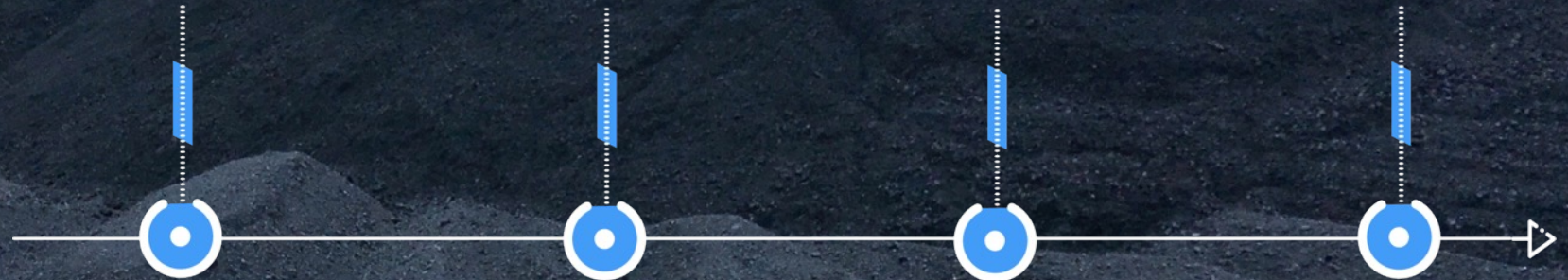
Kameron suspends Mine due to protracted Stop Work Order

**Dec-2023**

Stop Work Order lifted, with conditions

**Jan-2024**

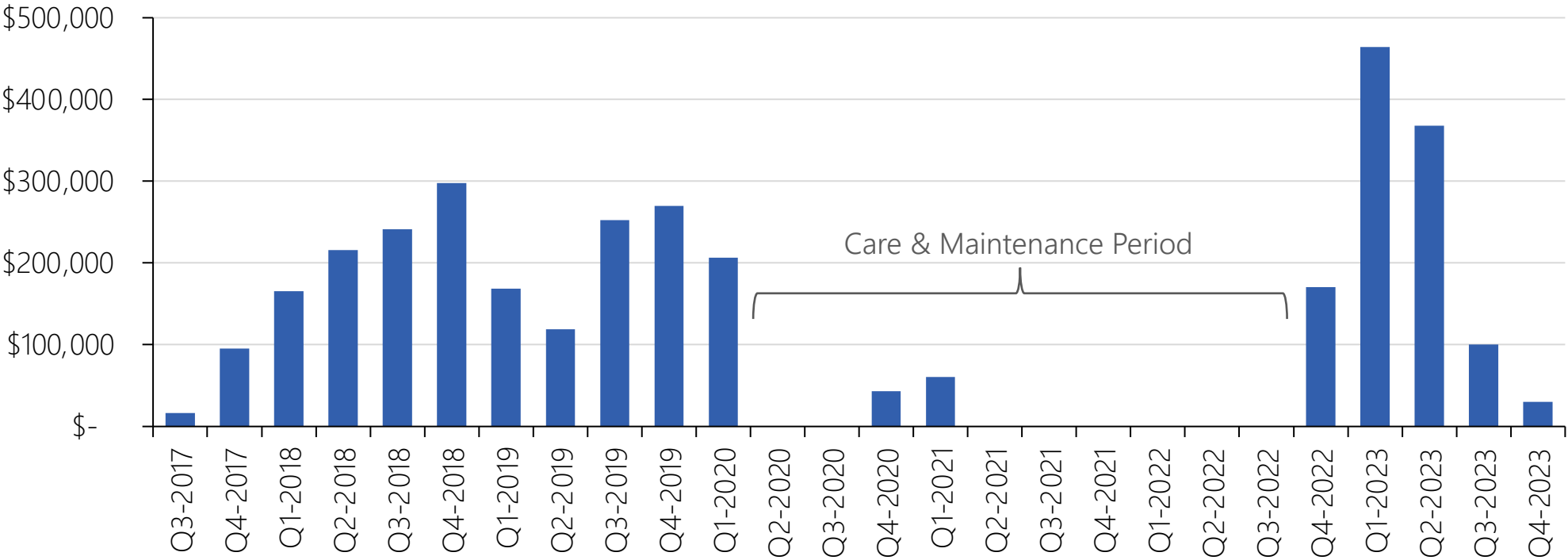
Kameron hires engineer to satisfy additional conditions



# Morien's Donkin Royalty

## Morien's Received Donkin Royalties

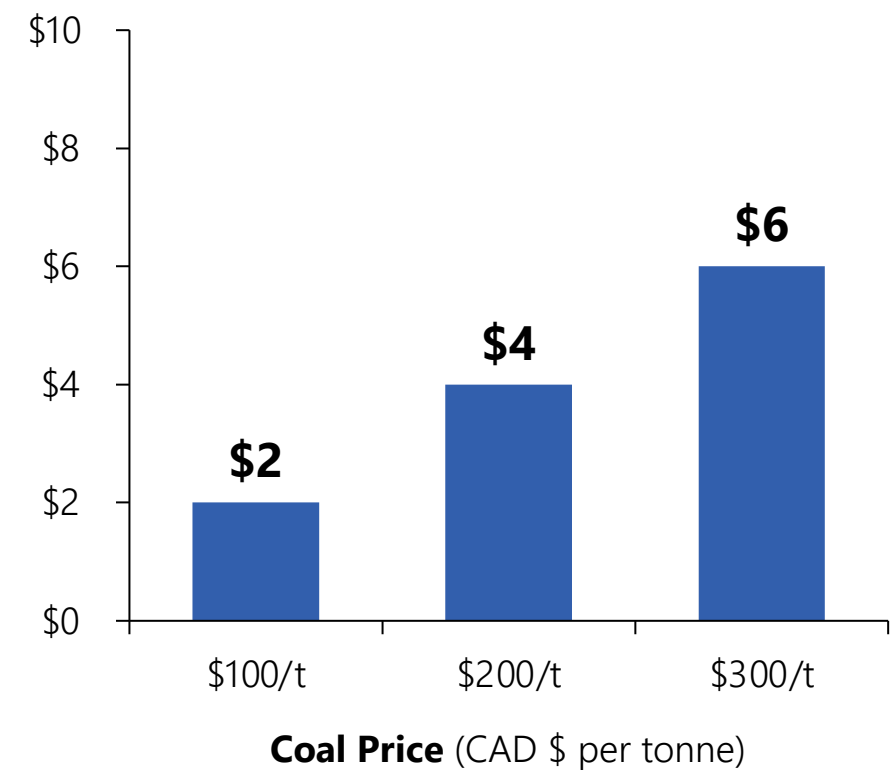
Quarterly, \$ CAD, 000



# High Value Donkin Royalty

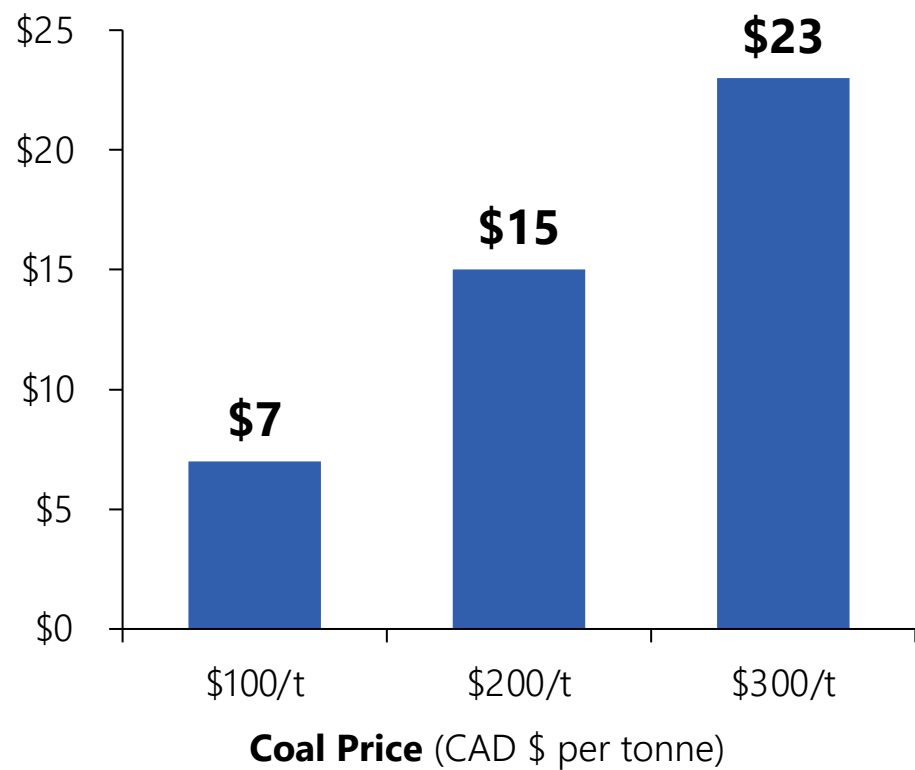
## Morien Royalty @ 1 Million Tonnes Per Year <sup>4</sup>

Annual, \$ CAD, Millions



## Morien Royalty @ 3 Million Tonnes Per Year <sup>4</sup>

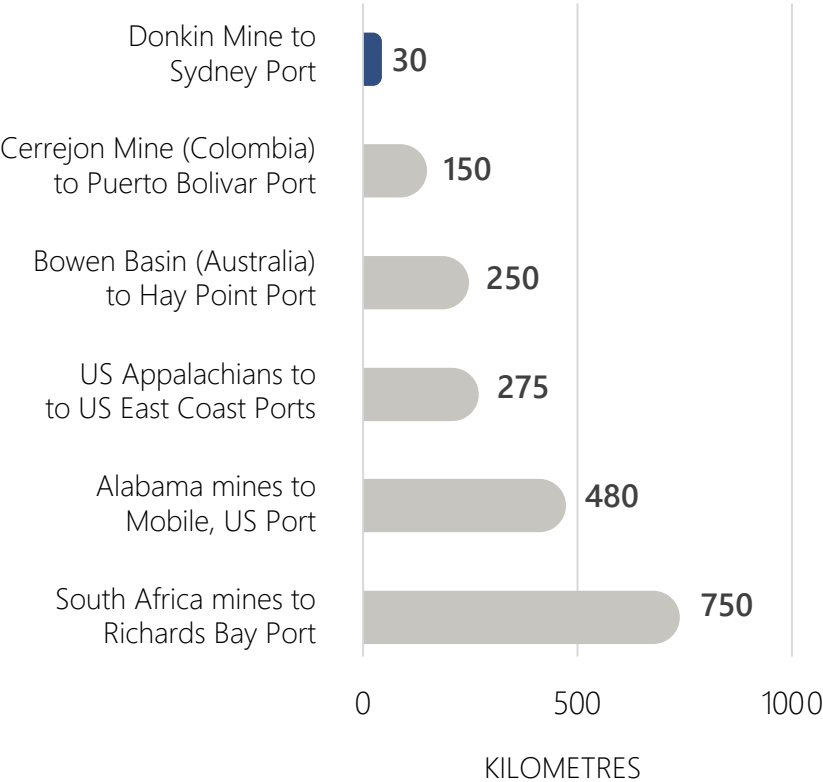
Annual, \$ CAD, Millions



# Donkin's **Transportation Advantage**

## Mine to Port

Kilometres



## Port to Market

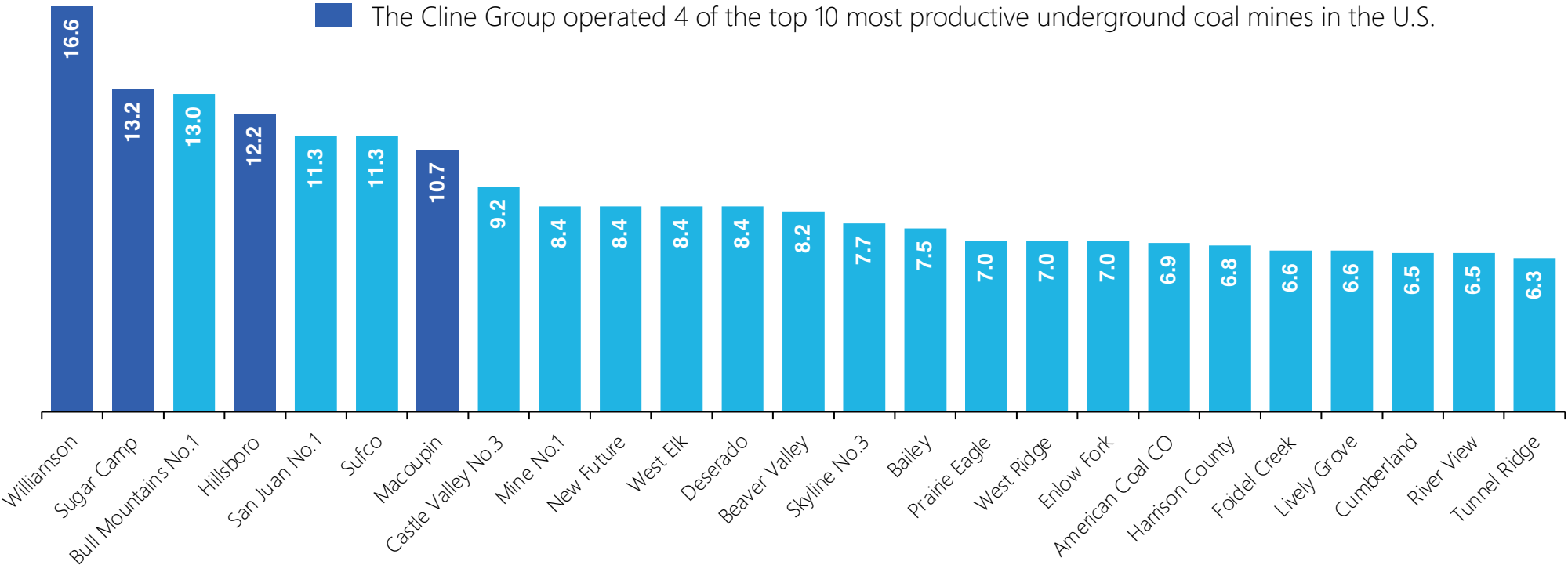
%USD per tonne, Panamax size vessel



# Donkin Operator - **The Cline Group**

## U.S. Underground Coal Mine Production

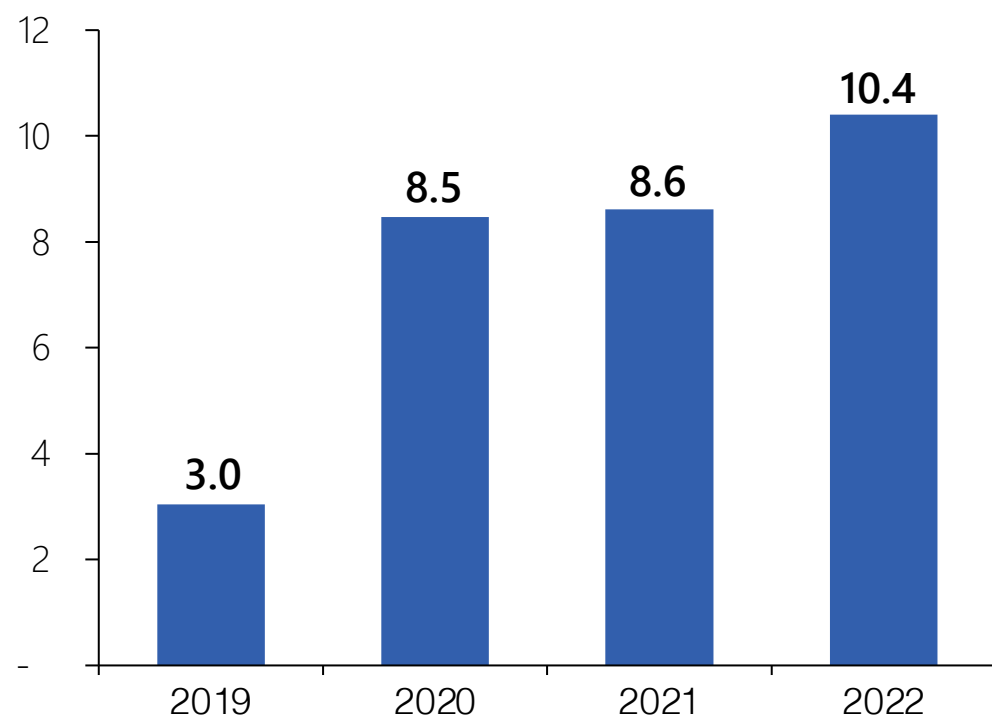
2015, Million tonnes <sup>5</sup>



# The Cline Group's Alberta Mine

## Production Profile of Hinton Mine, Alberta

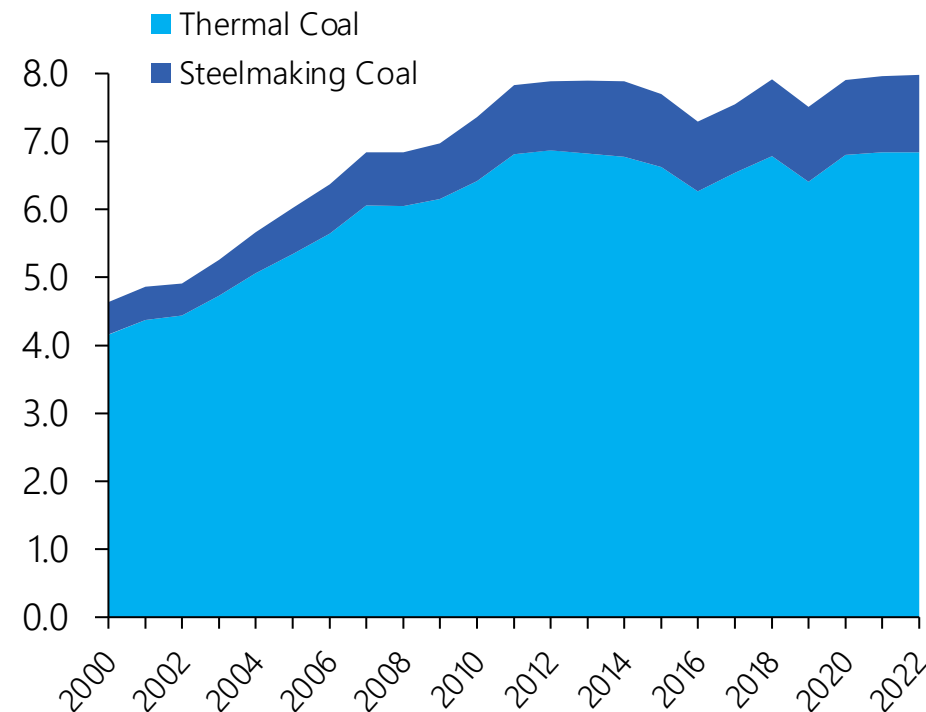
2019 - 2022, million tonnes <sup>6</sup>



# Rising Global Coal Demand

## Global Coal Demand <sup>7</sup>

Billion Tonnes



## Metallurgical Coal

**1.1 Bt**

2022 Total  
Production

**0.3 Bt**

2022 Seaborne  
Trade

**us\$220/t**

Feb 8, 2024  
Spot Price

## Thermal Coal

**6.8 Bt**

2022 Total  
Production

**1.0 Bt**

2022 Seaborne  
Trade

**us\$105/t**

Feb 8, 2024  
Spot Price



# Steel **Needs** Metallurgical Coal

## Metallurgical coal is an essential ingredient in the production of steel

Primary ingredients in the manufacturing of steel



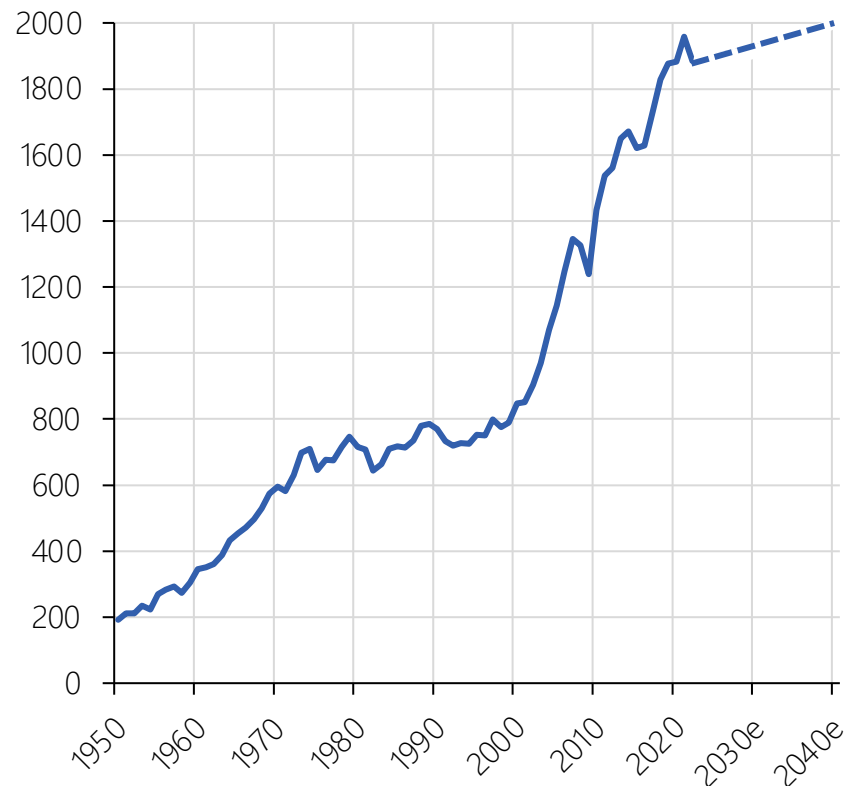
“High-quality  
steelmaking coal is  
essential in  
pursuing our  
carbon neutral  
strategy.”

**Eiji Hashimoto**  
President of Nippon Steel

# The World **Needs** Steel

## World Crude Steel Consumption

1950-2040, million tonnes <sup>8</sup>



## Steel Demand Drivers

Population + Urbanization + Clean Energy

**9B** (vs. 8B in 2022)

Global population in 2040; equivalent of adding a city the size of LA to the world every month for 15 years <sup>9</sup>

**65%** (vs. 57% in 2022)

Urbanization rate in 2040; equivalent to 1.3 million people moving to cities each week <sup>9</sup>

**4x**

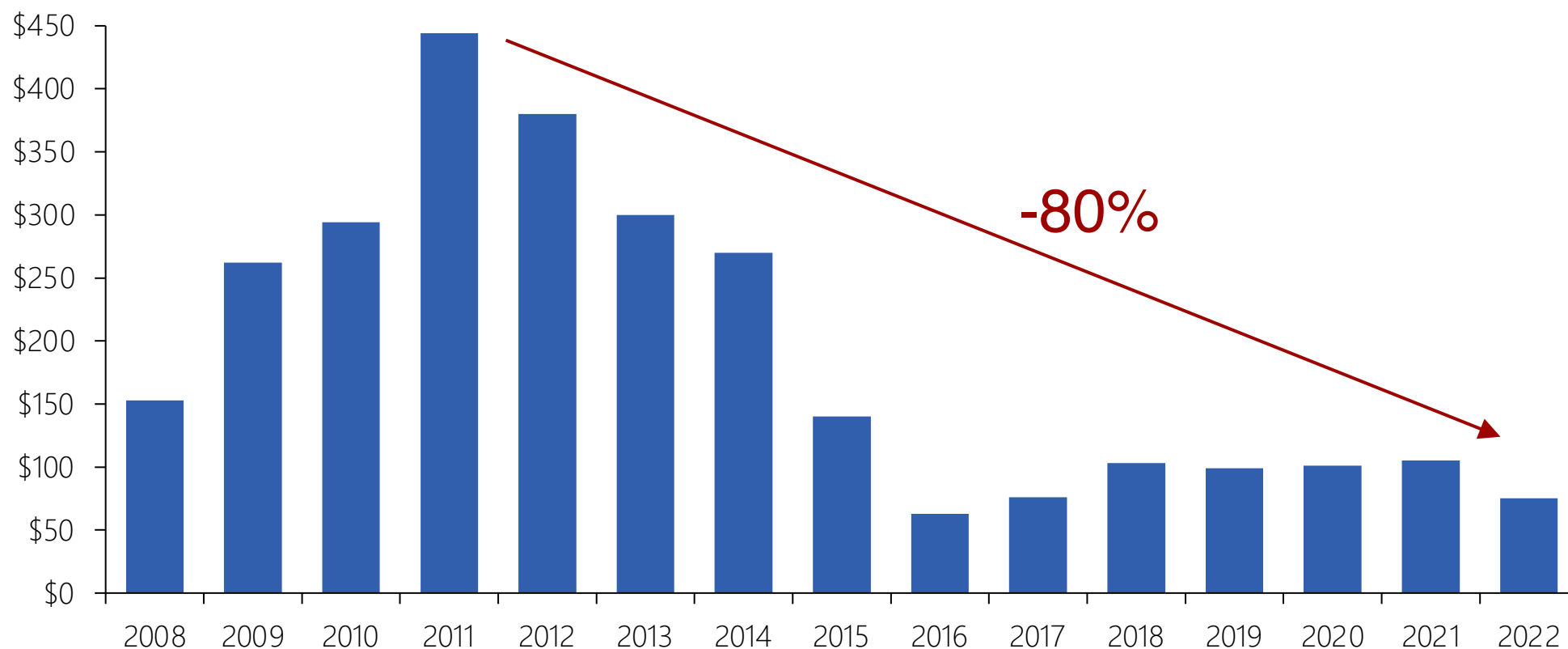
Increase in annual steel demand to build wind and solar capacity over the period 2021-2030 relative to 2016-2020 <sup>10</sup>



# Shrinking Pool of Funding for Coal Projects

## Global Coal Mine Capital Expenditures

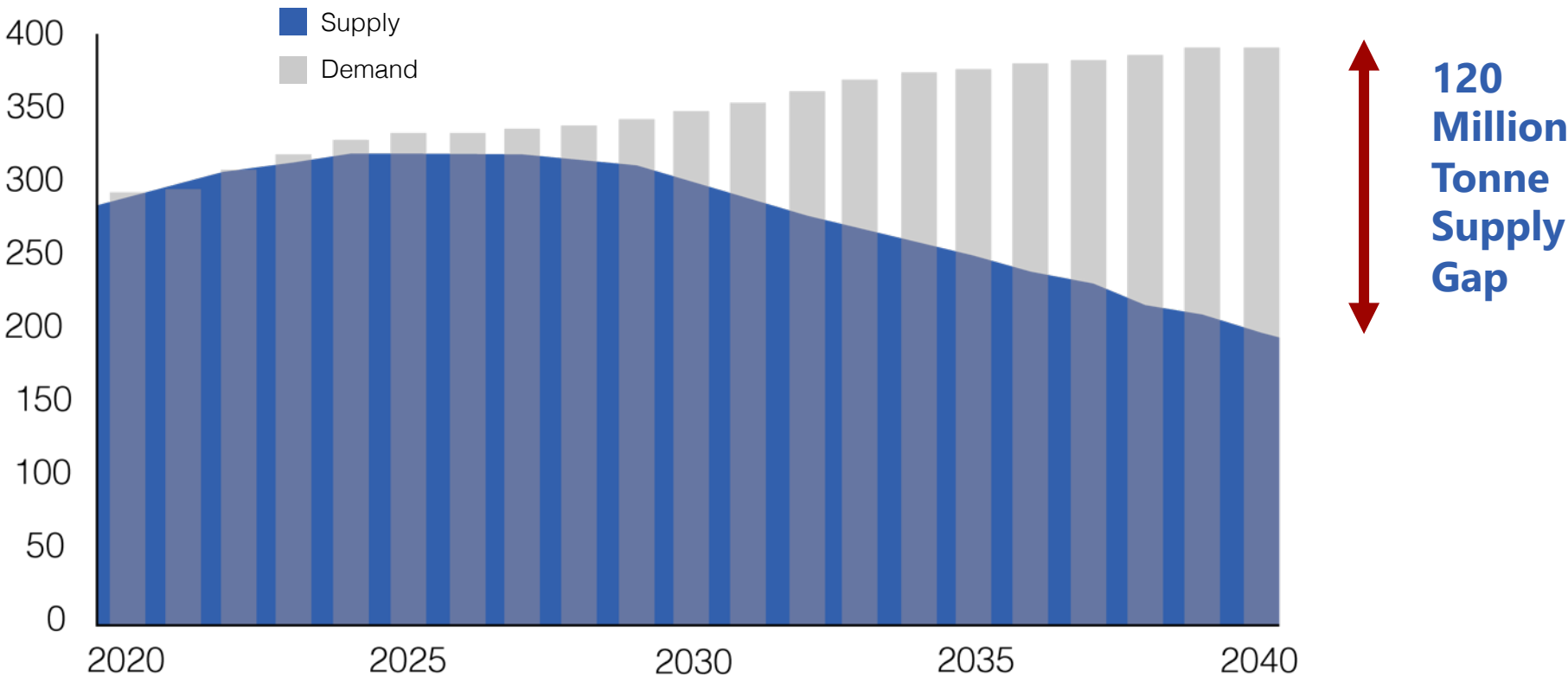
2008 - 2022, billion dollars, real 2022 <sup>12</sup>



# ...Yet Demand is **Increasing**

Global Seaborne Metallurgical Coal Supply-Demand Imbalance

Million tonnes <sup>13</sup>





# **Black Point**

Aggregate Project

# Black Point Aggregate Project

**Vulcan Materials**

Owner/operator

**\$90-\$120 Million**

Initial capital cost

**75-Years**

Mine life <sup>14</sup>

**2025**

Construction start

**U.S. East Coast**

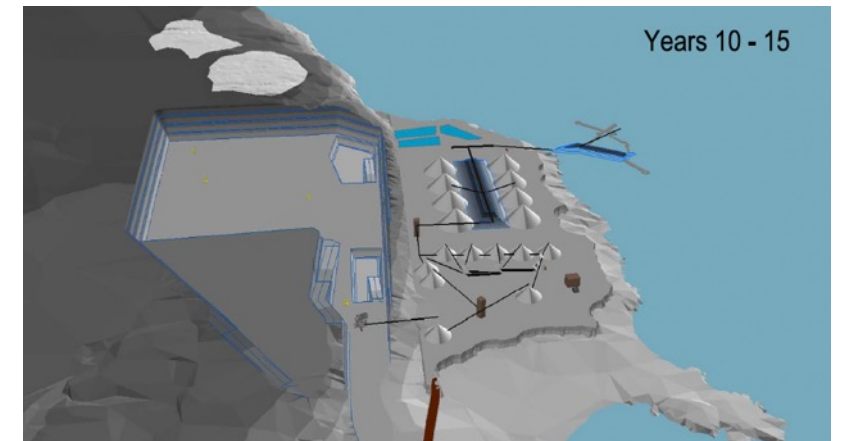
Target market

**Per-Tonne**

Morien royalty <sup>14</sup>

# Black Point **Project Overview**

- Federal and provincial environmental permits granted
- Vulcan is in the process of engaging all stakeholders and updating plans related to the conditions of its approval environmental permit
- Project includes a 3-5 mln tonne per year granite quarry and deep-water marine terminal
- Estimated resource exceeds 250 million tonnes of high-quality construction aggregate<sup>14</sup>
- Vulcan targeting construction commencement in 2025 with operations to commence in 2026



# Vulcan Materials **Snapshot**

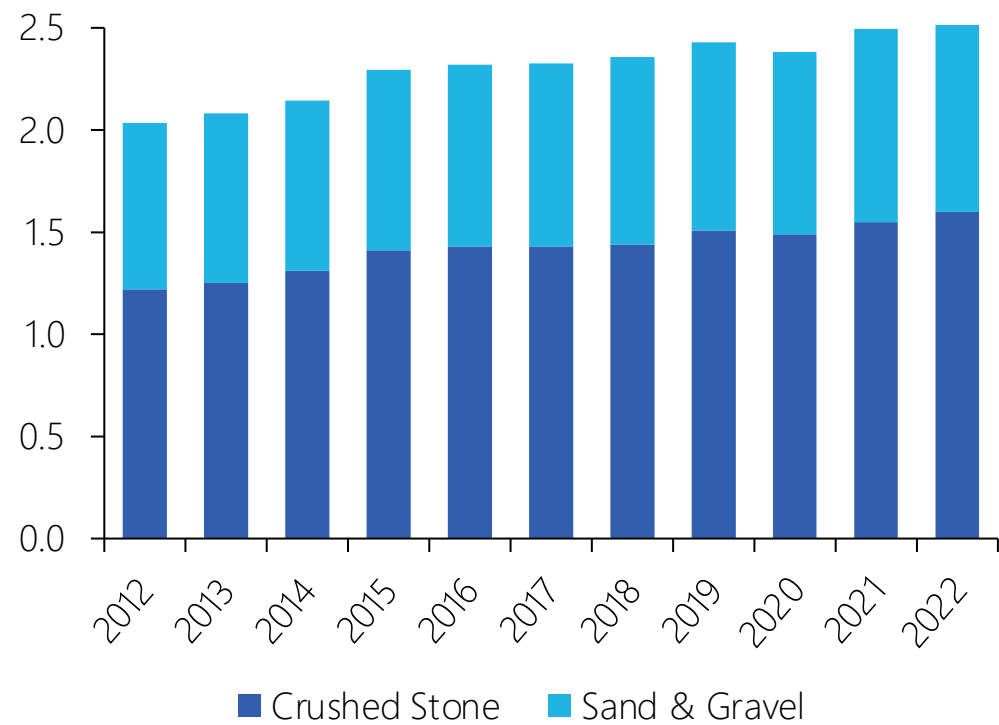
- Headquartered in Birmingham, Alabama
- C\$40 bln market cap
- Included in the 2023 Fortune 500 list of U.S. companies
- Largest aggregate producer in the United States; produced 215 mln tonnes in 2022
- 12,000 employees at >400 aggregate facilities
- Named as one of the top 200 Best Companies to Work For by U.S. News



# United States **Aggregate Demand**

## United States Aggregate Demand <sup>15</sup>

Billions of tonnes



## Aggregate Industry Snapshot

An irreplaceable and high-demand commodity

**7.7 Tonnes**

Average annual aggregate consumption per American <sup>15</sup>

**\$45 Billion**

Size of the U.S. aggregate industry based on 2022 revenues

**21%**

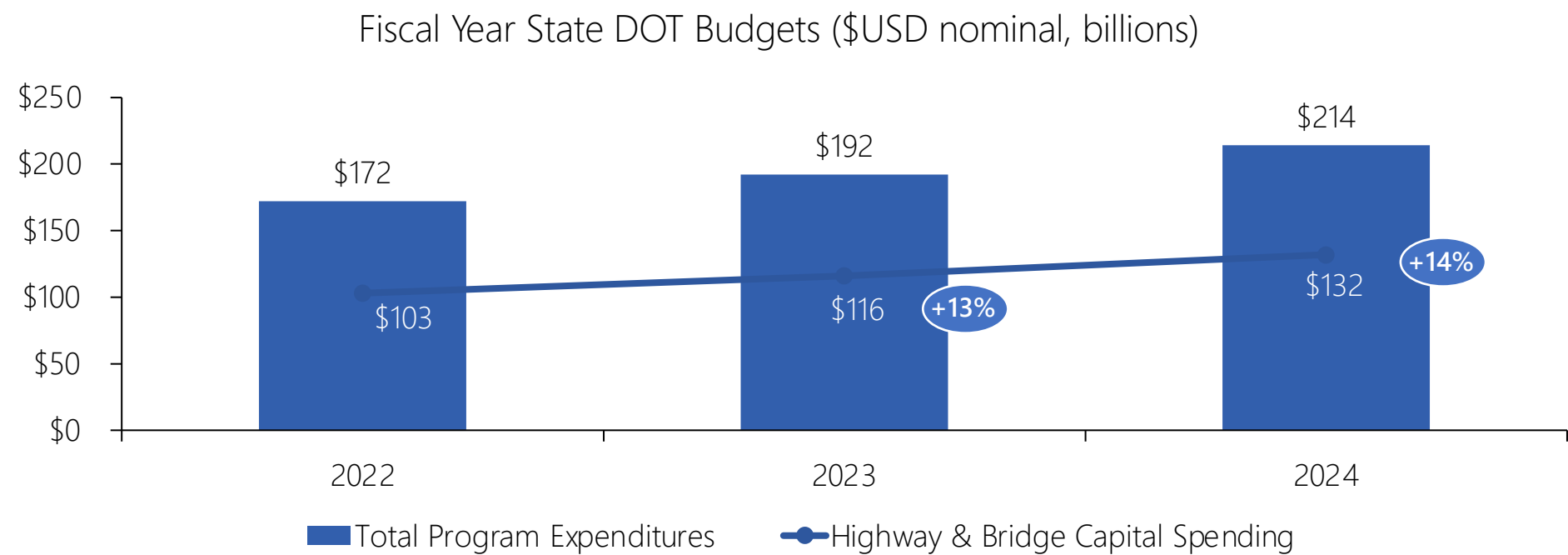
Crushed stone and sand & gravel accounted for 21% of all nonfuel mineral production in the United States in 2022



# United States **Aggregate Demand**

## End Market Outlook – Highways & Bridges <sup>16</sup>

Fiscal Year 2024 contemplates another year of double-digit growth in capital spending for highways & bridges



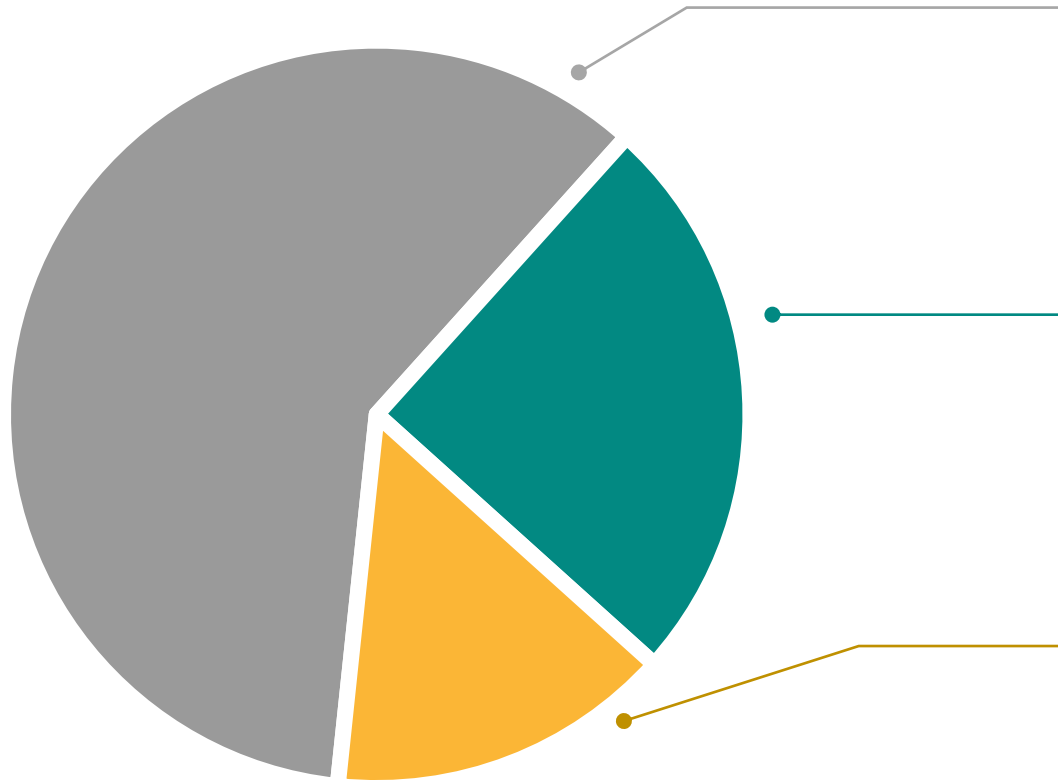


# The Case For Morien Resources

# Unique Level of **Shareholder Alignment**

## Capital Allocation Going Forward

Simplified model for illustrative purposes



### **Dividend**

- Paid quarterly
- Designed to increase commensurate with increased royalties from the Donkin Mine

### **Treasury Regrowth**

- Capital preservation
- Balance sheet protection
- Highly accretive and selective growth opportunities

### **Normal Course Issuer Bid**

- Selective buy backs



# Morien is **More Business** Than Mining

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## **Cash-In, Cash-Out Model**

Clear track record of wealth redistribution to shareholders; dividends and buy backs

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## **Shareholder Alignment**

18% ownership, recent insider buying, low corporate overheads, no debt

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## **High Demand Sectors**

Bulk commodities; steelmaking coal and aggregate (high demand, limited supply)

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## **High Quality Assets**

Long-life (25-75 years), advanced status (producing or permitted), stable jurisdiction (Canada)

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## **Stock Re-Rate Potential**

Exceptional shareholder return potential with upside of Donkin Mine

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# Footnotes

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1. Royalty peer companies include (alphabetical order): Altius Minerals, Ecora Resources, Electric Royalties, Elemental Altus Royalties, Empress Royalty, EMX Royalty, Franco-Nevada, Freehold Royalties, Labrador Iron Ore Royalty, Metalla Royalty, Newport Exploration, Nickel 28 Capital, Nova Royalty, Orogen Royalties, Osisko Gold Royalties, PrairieSky Royalty, Sailfish Royalty, Sandstorm Gold, Star Royalties, Triple Flag Precious Metals, Uranium Royalty, Vox Royalty, and Wheaton Precious Metals.
2. Technical disclosures are consistent with the information in the Donkin technical report titled “Technical Report, Donkin Coal Project, Cape Breton, Nova Scotia, Canada” dated Nov 2012, found on Morien’s SEDAR profile. Note that the approximation of capital spent at Donkin based on in-person conversations with Donkin mine owners, and on the article - Chris Cline Could Be The Last Coal Tycoon Standing, Forbes, December 2017. Donkin permitted for 3.6 mln tonnes run-of-mine which is anticipated to wash to approximately 3 mln saleable tonnes. Donkin Export Coking Coal Project Environmental Assessment, July 2012. Saleable production volumes are dependent on the yield of the onsite coal handling and preparation plant (“washplant”), which is expected to be approximately 81%.
3. Morien’s royalty consists of 2% of the revenue from the first 500k tonnes of coal sales per calendar quarter, net of certain coal handling and transportation costs, and 4% of the revenue from coal sales from quarterly tonnage above 500k tonnes, net of certain coal handling and transportation costs (“Donkin Royalty”). The royalty is payable to Morien on a quarterly basis. The Donkin Royalty is binding on Kameron and its successors in interest in the Mine for the duration of the Mine’s lease.
4. The royalty estimates are only estimates and are based on assumptions that Morien management consider reasonable as of the date of this presentation and would only be achieved if Donkin reached permitted production levels. Future results and royalties received, if any, subject primarily to production rates and coal pricing, may vary from those estimated by Morien.
5. U.S. Mine Safety and Health Administration (MSHA)
6. Alberta Energy Regulator
7. S&P Global Platts
8. World Steel Association, BHP Limited
9. United Nations, Department of Economic and Social Affairs
10. ArcelorMittal, July 2022. Statistic based on annual steel consumption in Europe to build wind and solar capacity.
11. Hatch Ltd., and ArcelorMittal
12. Jefferies Financial Group Inc.
13. Wood Mackenzie
14. Vulcan’s mineral resource and mine life estimates are based on Vulcan’s internal estimates and are not supported by a National Instrument 43-101 technical report.
15. United States Geological Survey
16. American Road & Transportation Builders Association (ARTBA)



# MOX

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John Budreski | Executive Chairman | [jbudreski@morienres.com](mailto:jbudreski@morienres.com)