

# FACT SHEET

## Q3 2017



### ABOUT GRENVILLE

Based in Toronto, Grenville Strategic Royalty Corp. is a publicly-traded royalty company that makes investments in established businesses with strong growth, recurring/predictable revenues and the ability to raise capital from multiple sources. Grenville generates revenues from royalty payments and Contract Buyouts. The non-dilutive royalty financing structure offered by Grenville competes directly with traditional equity to meet the long-term financing needs of companies on more attractive commercial terms. As of September 30, 2017, Grenville has generated cash inflows of \$42.6 million from \$68.3 million invested since its inception.

Figures at September 30, 2017, unless otherwise stated

| Ticker                      | GRC (TSX-V) |
|-----------------------------|-------------|
| TSX-V Share Price *         | \$0.08      |
| Market Capitalization *     | \$8.5M      |
| Common Shares Outstanding * | 106M        |

\* As of November 21, 2017

### Q3'17 HIGHLIGHTS

### FY'17/ 16/15

|   | Q2 2016          | Q3 2016          | Q4 2016            | Q1 2017            | Q2 2017            | Q3 2017            | 2017 YTD           | 2016               | 2015              |
|---|------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| <b>Revenue</b>  |                  |                  |                    |                    |                    |                    |                    |                    |                   |
| Royalty payment income and interest on promissory notes | 2,072,520        | 2,044,058        | 1,573,171          | 1,333,640          | 1,025,534          | 1,187,141          | 3,546,315          | 8,271,177          | 8,445,246         |
| Realized gain on Contract Buyouts                       | -                | 98,679           | -                  | -                  | 3,000,000          | -                  | 3,000,000          | 98,679             | 5,260,236         |
| Realized loss on investments written off                | -                | (1,840,936)      | -                  | (5,144,600)        | (2,149,669)        | -                  | (7,294,270)        | (1,840,936)        | -                 |
| Unrealized gain from investment derecognized            | -                | -                | -                  | -                  | 922,284            | -                  | 922,284            | -                  | -                 |
| Non-cash foreign exchange and fair value changes        | (806,146)        | (1,173,343)      | (7,237,004)        | 351,765            | (4,907,983)        | (2,437,757)        | (6,993,975)        | (14,569,067)       | (1,778,676)       |
| Other   | 24,198           | 17,039           | 32,112             | 16,937             | 42,426             | 27,995             | 87,358             | 109,907            | 200,373           |
| <b>Total Revenue</b>                                    | <b>1,290,572</b> | <b>(854,503)</b> | <b>(5,631,721)</b> | <b>(3,442,258)</b> | <b>(2,067,408)</b> | <b>(1,222,621)</b> | <b>(6,732,288)</b> | <b>(7,930,240)</b> | <b>12,127,179</b> |
| Profit/(Loss)   | (633,250)        | (1,690,843)      | (5,140,581)        | (3,792,281)        | (2,456,208)        | (1,763,068)        | (8,011,560)        | (10,655,454)       | 5,176,286         |
| EBITDA/EBITDA (Loss) <sup>(1)</sup>                     | (356,232)        | (1,720,599)      | (6,542,870)        | (4,683,865)        | (2,861,351)        | (1,926,152)        | (9,471,371)        | (12,500,834)       | 8,770,444         |
| Adjusted EBITDA <sup>(1)</sup>                          | 507,700          | 1,376,396        | 699,407            | 157,101            | 3,371,884          | 555,776            | 4,084,758          | 4,201,513          | 10,760,875        |
| Free Cash flow <sup>(1)</sup>                           | 340,161          | 163,992          | (170,083)          | 52,232             | 3,517,919          | 166,068            | 3,737,244          | (267,623)          | 7,349,954         |
| Basic Earnings/(Loss) per share                         | (0.0060)         | (0.0159)         | (0.0484)           | (0.0357)           | (0.0231)           | (0.0166)           | (0.0754)           | (0.1007)           | 0.0578            |
| Diluted Earnings/(Loss) per share                       | (0.0060)         | (0.0159)         | (0.0484)           | (0.0357)           | (0.0231)           | (0.0166)           | (0.0754)           | (0.1007)           | 0.0535            |

### PORTFOLIO HIGHLIGHTS

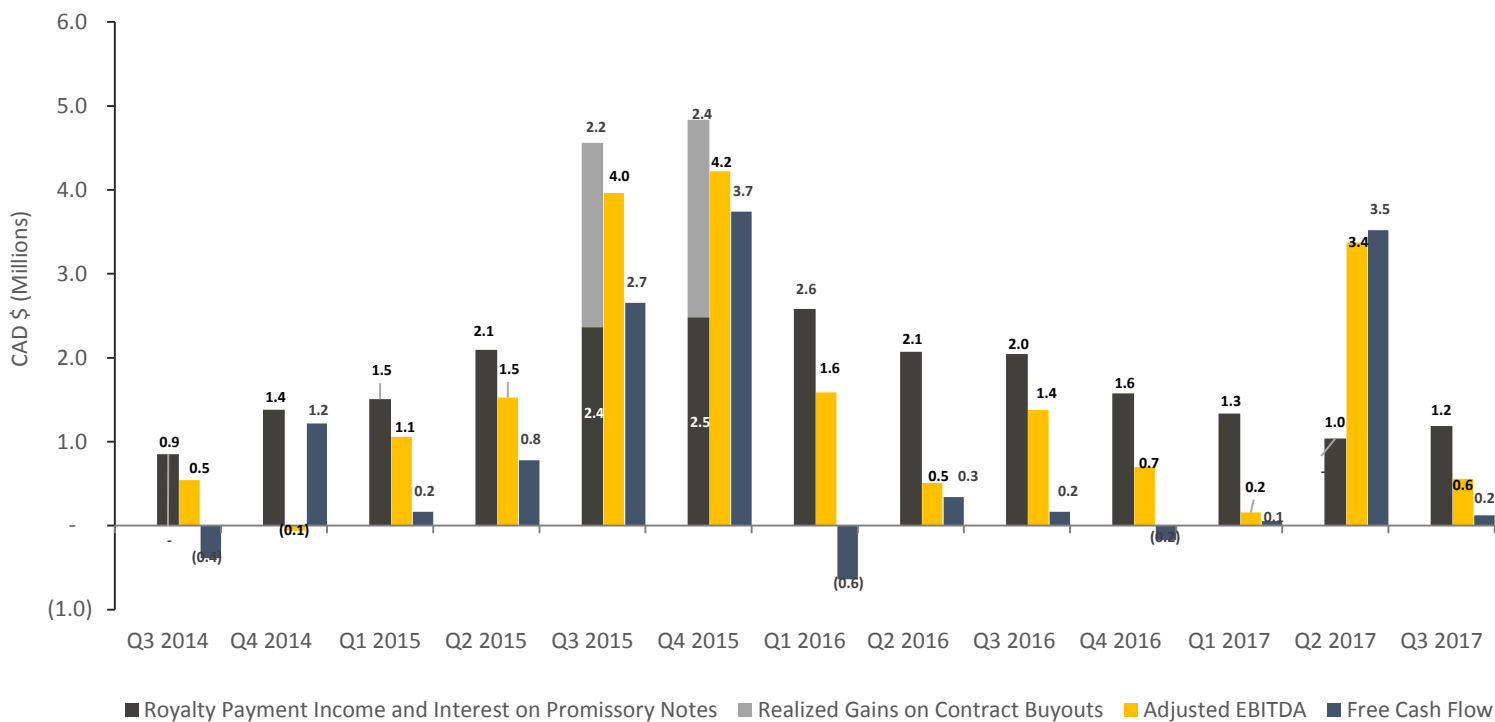
- » As of September 30, 2017 portfolio has since inception generated \$42,560,564 through royalty payments and Contract Buyouts <sup>(1)</sup> representing 62% of the capital deployed
- » From January 1, 2017 to September 30, 2017 total cash generated through royalty payments and Contract Buyouts was \$9,052,485

### FINANCIAL HIGHLIGHTS

- » Q3 Royalty Payment and Interest Income of \$1,187,141 down 41.90% compared to \$2,044,058 in the same quarter in 2016
- » Q3 Adjusted EBITDA <sup>(1)</sup> of \$555,776 compared to \$1,376,936 in the same quarter in 2016
- » Free Cash Flow <sup>(1)</sup> of \$166,068 for the quarter compared to \$163,922 in Q3 2016
- » Non-cash unrealized foreign exchange loss of \$(690,206) for the quarter compared to \$(528,646) in Q2 2017
- » Non-cash change in fair value of royalty investments of \$(1,382,619) for the quarter compared to \$(1,212,674) in Q2 2017
- » Non-cash change in fair value of equity securities in investee companies of \$(364,932) for the quarter compared to \$(1,432,458) in Q2 2017
- » Cash balance was \$8,611,474 at end of September 2017.

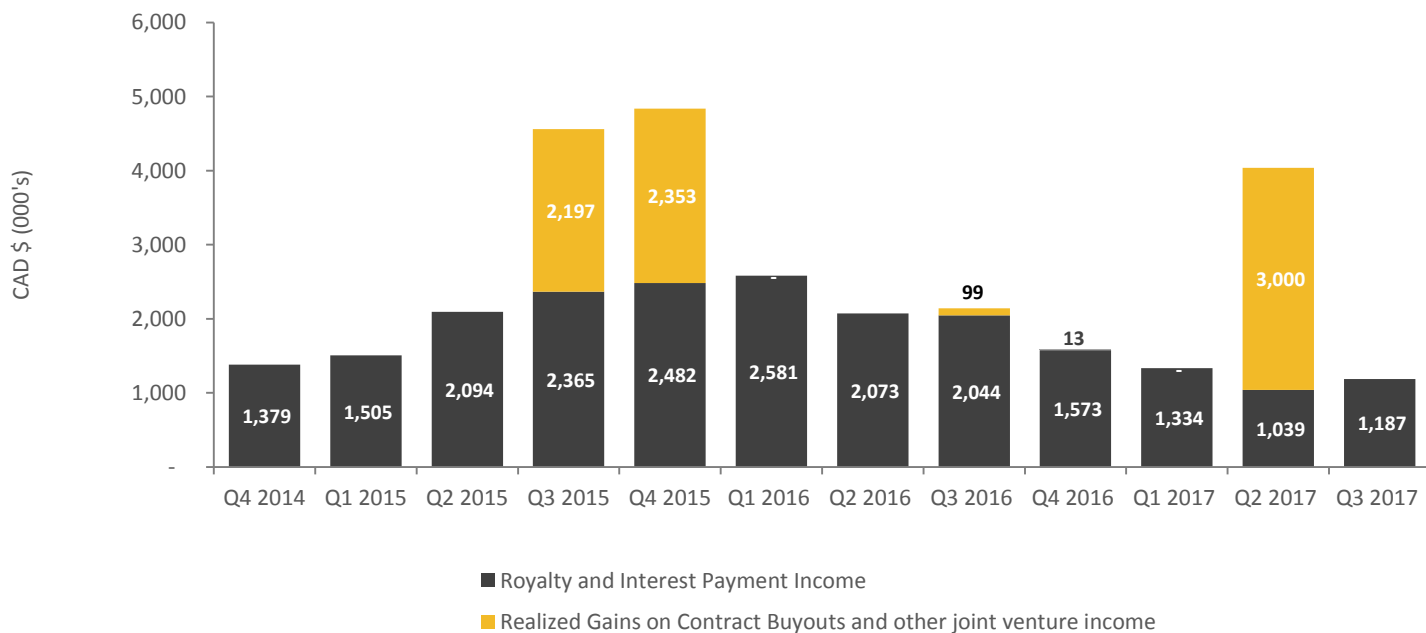
<sup>(1)</sup> Please refer to the Company's Management's Discussion and Analysis for definitions and reconciliations of these non-IFRS measures to measures prescribed by IFRS.

ROYALTY INCOME, EBITDA AND FREE CASH FLOW



CORE ROYALTY INCOME

Key Quarterly Revenue Drivers



Achievements and Recognition

» Grenville was recognized as a TSX 50™ company in 2016. TSX Venture 50 is a trademark of TSX Inc. and is used under license. The TSX Venture 50™ are the top 10 companies listed on the TSX Venture Exchange, in each of five major industry sectors – mining, oil & gas, clean technology & life sciences, diversified industries and technology – based on a ranking formula with equal weighting given to return on investment, market cap growth, trading volume and analyst coverage.

