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Research Note

Ecora Royalties – Continuing to Build Momentum; Increasing our TP

Rating	Target Price
BUY	**C$5.00**
Unchanged	*Prev. C$4.00*

September 2, 2026

Disseminated on behalf of Ecora Royalties

All figures in USD unless otherwise stated

Ecora Royalties PLC	**ECOR:TSX, LSE**
Rating	BUY
Target Price	C$5.00
Total Return	51%

Market Data	
Share Price	C$3.32
Average Daily TSX Volume (K)	476.5
FD ITM Shares (M)	250.3
Market Cap ($M)	$600.2
Net Debt	$74.9
Enterprise Value ($M)	$675.1

FYE Dec 31	**2025A**	**2026E**	**2027E**
Portfolio Contribution ($M)	$55.9	$75.0	$66.4
Gross Margin (%)	92%	87%	84%
Adj. EBITDA ($M)	$39.0	$52.2	$43.1
Adj. EBITDA Margin (%)	70%	70%	65%
Net Income ($M)	$22.2	$34.7	$15.1
EPS	$0.09	$0.14	$0.06

Valuation	
NAVPS (7%)	$2.88
P/NAV	0.8x
2026E EV/EBITDA	12.9x
2027E EV/EBITDA	15.7x

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents

Ecora is a leading critical minerals focused royalty company. Its vision is to be globally recognized as the royalty company of choice synonymous with commodities that support trends of electrification by continuing to grow and diversify its royalty portfolio in line with our strategy. Ecora will achieve this through building a diversified portfolio of scale over high quality assets that drives low volatility earnings growth and shareholder returns.

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What you need to know:

- Ecora recorded its H1/26 results after pre-reporting portfolio contributions of $31.3M, up +75% YoY driven by base metals.
- This growth translated to a +509% YoY increase in adjusted earnings and a strengthened balance sheet.
- Net debt declined to $74.9M, and strong cash flow is expected to drive further de-levering in H2, providing flexibility for further acquisitions.
- In tandem, development projects are reaching key milestones, which will de-risk organic growth within the portfolio.

This morning, Ecora Royalties PLC (ECOR:TSX, LSE, ECRAF:OTCQX) reported its H1/26 half-year results. The Company pre-reported its Q2 and H1 portfolio contributions in July (read here) marked by +54% and +75% QoQ and YoY growth, which included a +157% YoY increase in the base metals portfolio. This translated to an over 5x increase in adjusted earnings to $19.5M (+509% YoY). ECOR continues to build momentum through delivering critical minerals growth, and strong cash flows are anticipated to facilitate further balance sheet strength in H2. This will position the Company to fund further accretive acquisitions, while its solid pipeline of organic growth approaches key milestones in tandem. **We are maintaining our BUY rating and increasing our target price to C$5.00/share (previously C$4.00/share) on Ecora Royalties.**

Financial Highlights

- Portfolio contribution of $31.3M (+75% YoY) was pre-reported, with base metals at $22.5M (+159% YoY), or 72% of the total (H1/25: 42%).
- Royalty & stream related revenue of $32.0M (+102% YoY) vs. our $31.3M estimate, led by Voisey's Bay where cobalt deliveries nearly doubled to 266t (vs. 140t in H1/25) at $28.40/lb (+72% YoY).
- Operating profit before revaluations of $12.9M increased +247% YoY and broadly aligned with our $15.3M forecast.
- Adjusted earnings of $19.5M increased +509% YoY from $3.2M in H1/25.
- OCF of $15.2M (+271% YoY) and FCF of $12.1M (vs. $2.0M in H1/25) was modestly ahead of our $13.7M and $9.2M estimates.

Our Take

In our view, the significant growth on display in H1 highlights the scalability of the royalty model, and several upcoming catalysts will further de-risk additional organic growth for Ecora. Amongst producing assets, YoY volume growth is anticipated to continue in H2, which is further benefiting from the tailwind of strong commodity prices. Particularly copper that contributes ~50%+ of NAV, and is currently sitting at $6.60/lb. This compares to our long-term price forecast of ~$5.00/lb, providing significant upside to our valuation in tandem with brownfield expansions. Amongst development assets, several key catalysts are on the horizon providing visibility on growth in the medium term. We see Ecora in the critical stage of an impactful multi-year transformation to a high-quality, high growth, critical minerals focused royalty company, and continue to view this as an attractive entry point.

Catalysts

Key milestones we are watching for that underpin our growth forecast (discussed in detail below):

- Mimbula Brownfield Expansion – Ongoing
- Mantos Blancos Phase II PFS – Q3/26
- Santo Domingo FID – Q4/26
- Nifty Cathode Restart – H2/26
- Voisey's Bay Expansion Updates – 2027/2028

	H1/26A	Atrium Est.	H1/25A	YoY
Total Portfolio Contribution ($M)	**$31.3**	$31.3	$17.9	+75%
Royalty & Stream Revenue ($M)	**$32.0**	$31.3	$15.8	+102%
Operating Profit Before Revaluations ($M)	**$12.9**	$15.3	$3.7	+247%
Pre-Tax Income ($M)	**$24.3**	$10.5	($10.9)	N/A
Adjusted Earnings ($M)	**$19.5**	$8.7	$3.2	+509%
OCF ($M)	**$15.2**	$13.7	$4.1	+271%
FCF ($M)	**$12.1**	$9.2	$2.0	+520%

Figure 1: H1 Results vs. Atrium vs. YoY

For a breakdown of portfolio contributions by asset, see our Q2 Trading Update note here.

Outlook

Key catalysts for growth to watch for within the base metals portfolio include:

Voisey's Bay was a significant driver of growth in H1 within the base metals portfolio. The ramp-up to full production capacity is largely complete, and full-year guidance of 500-560t of attributable cobalt was reiterated. That said, Vale has outlined several opportunities for future growth including plans to expand the mill from ~2.8Mtpa to ~3.8Mtpa by 2030. Work on a PFS is ongoing, along with an extensive 2026 exploration program, and an FID is targeted for 2028.

Mantos Blancos delivered +26% higher YoY contributions and continues to achieve production at or above nameplate, with Capstone targeting a Phase II PFS toward year-end. The expansion will increase throughput from the concentrator plant and increase cathode production from historical tailings re-leaching, and expanded production is targeted to start between 2030 and 2031.

Mimbula continues to advance its Phase II expansion, and commissioning of additional SX capacity began in June, adding incremental growth in the near-term. The expansion is now focused on construction of the ETL circuit and addition of EW cells.

Capstone continues to advance **Santo Domingo** toward a FID in Q4. Remaining work to watch for includes detailed engineering, district infrastructure opportunities, and project financing.

Nifty is advancing toward a Phase 1 restart of copper cathode production at ~6Ktpa in H2/26. Work is also progressing for a further expansion to ~20Ktpa by refurbishing the SXEW plant. Mineral reserves and resources are expected to be updated in H2 following the evaluation of shallow oxide material. Recall, royalty payments are not triggered until 800kt Cu has been produced, which is expected to be reached ~5 years after the Phase 1 restart.

Amongst the **specialty metals portfolio**, Maracás Menchen received a $60.1M delivery order (5-year contract) from the U.S. Defense Logistics Agency Strategic Materials to support the supply of high-purity vanadium, final optimization for solvent extraction is underway ahead of a DFS for the Phalaborwa Rare Earths Project, and NextGen continues to report strong results from 2026 drilling at the Patterson Corridor East Uranium Project. The **bulks portfolio** continues to make up a dwindling portion of the company; however, operations at Kestrel will remain within Ecora's royalty area in Q3 providing incremental contributions in the near-term.

Conference Call Takeaways

- The strong H1 is a result of ongoing momentum within the critical minerals portfolio, further supported by strong commodity prices, highlighting the scalability and cash generation potential of Ecora's royalty model.
- Several near- and medium-term milestones underpin Ecora's growth portfolio for the next ~5 to 10 years (discussed above) and will de-risk the organic pipeline.
- Debt repayments resulted in a leverage ratio of 1.35x vs. 2.07x at year-end 2025, with net debt forecast to decline toward ~$50M by year-end 2026.
- The strong balance sheet positions Ecora for further acquisitions to supplement organic growth. The focus will be on projects toward the front end of the development curve (or in production). In terms of commodity, critical minerals that support electrification trends will be the focus, with a preference in keeping copper and base metals the core of the portfolio.

Valuation

We have updated our forecast for Voisey's Bay to reflect an expansion of production from 2.6Ktpa of cobalt to ~3.2Ktpa in 2030, which we will look to revise as the expansion PFS advances in the coming years. We have also conservatively added incremental growth at Mantos Blancos beginning in 2031, which we anticipate will be outlined in the PFS later this year. We view Vale and Capstone as strong operating partners, providing confidence in the delivery of these guided expansions.

In addition, given the current strength in copper prices and strong outlook for the metal, we have revised our long-term price from ~$4.50/lb to ~5.00/lb, which remains conservatively below spot. In reflecting these anticipated expansions and our new copper forecast in our model we estimate a NAV of $640.7M. We continue to apply a multiple of 1.2x in line with royalty peers (currently trading at ~0.8x), reaching an equity value of $800.2M, and are increasing our target price to C$5.00/share (previously C$4.00/share).

NAV Valuation	US$M	$/share
Base Metals (7%)	$750.8	$3.00
Specialty Metals & Uranium (7%)	$111.8	$0.45
Bulks & Other (7%)	$31.9	$0.13
Other Royalties	$80.0	$0.32
(-) Corporate Adjustments (7%)	$179.0	$0.72
(-) Net Debt	$74.9	$0.30
NAV	**$640.7**	**$2.88**
Multiple	1.2x	1.2x
Equity Value	$800.2	$3.60
Target Price (Rounded)		**C$5.00**
Upside		*51%*

Figure 2: Valuation Summary

Tear Sheet

Market Data	
Ticker	ECOR:TSX
Stock Price	C$3.32
Rating	BUY
Target Price	C$5.00
Total Return	51%
NAVPS	$2.88
Market Cap ($M)	$600.1
Net Debt ($M)	$74.9
EV ($M)	$675.0

Capital Structure	
Basic Shares Outstanding (M)	249.7
Warrants (M)	0.0
Options (M)	0.6
FD Shares (M)	250.3
FD ITM Shares (M)	250.3

Long-Term Commodity Price Assumptions			
Gold ($/oz)	$4,000	Nickel ($/lb)	$8.00
Copper ($/t)	$11,000	Uranium ($/lb)	$80
Cobalt ($/t)	$56,000	Iron Ore ($/t)	$100

Financial Estimates	2024A	H1/25A	H2/25A	2025A	H1/26A	H2/26E	2026E	2027E	2028E	2029E	2030E
Revenue ($M)	**59.6**	**15.8**	**40.1**	**55.9**	**32.0**	**43.0**	**75.0**	**66.4**	**72.1**	**69.8**	**103.0**
Gross Profit ($M)	**58.4**	**14.6**	**36.6**	**51.2**	**27.6**	**37.5**	**65.1**	**55.9**	**60.9**	**59.0**	**91.2**
Gross Margin	*98%*	*92%*	*91%*	*92%*	*86%*	*87%*	*87%*	*84%*	*84%*	*85%*	*89%*
Adj. EBITDA ($M)	**47.4**	**8.3**	**30.7**	**39.0**	**21.3**	**31.0**	**52.2**	**43.1**	**48.0**	**46.2**	**78.4**
Adj. EBITDA Margin	*79%*	*52%*	*77%*	*70%*	*66%*	*72%*	*70%*	*65%*	*67%*	*66%*	*76%*
OCF ($M)	**29.6**	**4.1**	**31.0**	**35.1**	**15.2**	**22.9**	**38.1**	**30.5**	**34.6**	**45.1**	**71.8**
Net Income ($M)	(9.8)	(9.0)	31.2	22.2	18.8	15.9	34.7	15.1	19.2	29.8	56.5
EPS	(0.04)	(0.04)	0.13	0.09	0.08	0.06	0.14	0.06	0.08	0.12	0.23
Gold Price ($/oz)	2,388	3,089	4,000	4,000	4,690	4,500	4,595	4,500	4,250	4,000	4,000
Copper Price ($/t)	9,142	9,430	10,000	10,000	13,080	14,250	13,665	13,000	13,000	12,000	11,000
Cobalt Price ($/t)	26,342	29,432	56,000	56,000	56,140	56,000	56,070	56,000	56,000	56,000	56,000
Nickel Price ($/lb)	7.63	6.95	8.00	8.00	8.04	7.85	7.95	8.00	8.00	8.00	8.00
Uranium Price ($/lb)	71.35	71.00	80.00	80.00	86.75	84.00	85.38	80.00	80.00	80.00	80.00

Figure 3: Tear Sheet

	2H/26E		2026E		2027E	
	New	Previous	New	Previous	New	Previous
Royalty & Stream Revenue ($M)	**$43.0**	$41.9	**$75.0**	$73.2	**$66.4**	$64.7
Operating Profit Before Revaluations ($M)	**$26.0**	$25.1	**$38.9**	$40.4	**$29.7**	$31.6
Pre-Tax Income ($M)	**$21.2**	$20.3	**$45.4**	$30.8	**$20.2**	$22.1
Net Income ($M)	**$17.6**	$16.8	**$36.4**	$25.6	**$16.8**	$18.3
OCF ($M)	**$22.6**	$21.8	**$37.7**	$35.6	**$30.1**	$28.3

Figure 4: Estimate Revisions

Why We Like ECOR

- ECOR has successfully transitioned from a coal-focused royalty company to critical metals, aligning the Company with long-term themes such as electrification and energy transition.
- The market continues to undervalue ECOR due to its legacy coal exposure, despite coal being phased out over time and replaced by higher-growth base metal royalties.
- ECOR maintains a well-diversified portfolio across the mining lifecycle and is expected to deliver ~75% income growth over the next five years, with its critical minerals portfolio projected to grow ~300%, without requiring additional capital investment.
- Management brings deep experience across mining and capital markets, with a proven track record of value creation and positioning the Company for long-term growth.

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