



Royalties Inc. Reports Capstone Inexplicably Files an Amparo

TORONTO, CANADA (December 23, 2025) – **Royalties Inc.** (CSE: “RI”, OTC: ‘ROYIF’ or “the Company”) reports that Minera Portree de Zacatecas S.A. de C.V. (“MPZ”), a company in which Royalties Inc. holds an 88% ownership stake, was notified on December 19, 2025 that Capstone Gold S.A. de C.V., a subsidiary of Capstone Copper Corp. (TSX:CS) (“Capstone”) through Jorge Alberto Espinoza Cortes, a lawyer based in Chihuahua, rather than in Zacatecas, filed a direct Amparo with the Federal Collegiate Tribunal. This grants a suspension of the sentence of the November 4, 2025 decision where the Appellate Court in the State of Zacatecas upheld and confirmed the court decision ruled on June 16, 2025, that the **Capstone had improperly transferred to themselves, royalties without consent, authorization or payment**, attempting to sell royalties, belonging to Minera Portree, as per a January 11, 2002 NSR agreement. Capstone does not dispute these facts.

The outcome of this third and final step in the Mexican legal process, will likely be that the Federal Court will uphold the lower court decisions as the facts and Capstone’s admissions have not changed. Capstone’s Amparo is considered weak as in civil cases, the Federal Court rarely overturns decisions as their review is narrow in scope and especially as no constitutional or human rights have been violated. Accordingly, the Company is confident this final procedural step will be resolved in MPZ’s favor, paving the way for quantification and collection of 7 years of royalties owed on historical production 2019-2025 at the Cozamin mine. With copper (+36% YTD) and silver (+135% YTD) prices soaring to record highs in 2025, Royalties Inc. estimates that if Capstone had been properly paying the 2% NSR to MPZ since 2019, equating to approximately \$2 million per year, the Company would be valued at \$100 million market cap in line with the well documented valuation model of the public precious metals royalty company peer group. Given that Capstone’s ‘mind and management’ is based in Vancouver, this economic loss should logically form the basis for a corresponding lawsuit in British Columbia which clearly surpasses the ‘materiality’ threshold set by Capstone’s auditors and bankers. Capstone’s market cap has appreciated from \$200 million market cap to over \$10 billion since 2020 when the dispute began.

“While it is extremely disappointing to witness Capstone’s Management and Directors close ranks and stand behind a dubious legal position, their stonewalling serves to delay an increasingly lucrative potential financial settlement into a once in a generation copper and silver price cycle, doubling the potential royalty revenue. Capstone’s filing of a wordy and non-sensical Amparo serves only as a delay tactic. In 2024, we introduced ourselves to Cashel Meagher, Capstone’s President and CEO, who was surprisingly unaware of our lawsuit. He unequivocally stated that “It is not who Capstone is, if we owe, we pay.” Apparently, he was compelled, along with the Chairman, John MacKenzie, who was notified of the lawsuit in 2022, who also had the opportunity to rectify this unnecessary dispute, to follow the instructions of their in-house counsel, Wendy King, to delay a settlement and exhaust the legal process. We have been looking forward to Capstone’s co-operation since 2020 in properly paying the amount owed on production and on the proper future value of the 2% NSR on all five Portree/Parroquia claims, recognizing resource depth potential and the impact of significantly increased copper and silver prices,” stated Tim Gallagher, CEO.

About Royalties Inc.

- Royalties Inc. owns a 100% interest, subject to a 1.5% NSR owned as a separate asset, on the Bilbao silver-zinc-lead project which needs an update on the impact of the increase in the silver price from US\$30 per oz in the 2014 PEA.
- Royalties Inc. owns 88% of Minera Portree de Zacatecas, S.A. de C.V (“MPZ”) which holds a court confirmed claim to a 2% NSR established in 2002 on five mining concessions called the ‘Portree claims’, a portion of which is on the Mala Noche Footwall Zone, the main source of production at the Cozamin mine where Capstone Copper Corp. (“Capstone”) has been mining since 2010. Capstone attempted to assign this royalty to themselves without the knowledge, consent or proper payment to MPZ, the longstanding and rightful owner since 2002.
- Royalties Inc. has a 5% stake in [Music Royalties Inc.](#) (“MRI”), which has paid out over \$14 million in 71 monthly dividends since 2019 from 31 cash-flowing catalogs with 7,000 songs generating a 7.2% annual yield.

For further information contact Royalties Inc. at www.royaltiesinc.com

Tim Gallagher
CEO & Director
(416) 925-0090

Connor Gallagher
Investor Relations
(647) 921-2206

Andrew Robertson
Director
(416) 317-0137

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