



NOVA ROYALTY REPORTS FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2022 AND PROVIDES ASSET UPDATE

FOR IMMEDIATE RELEASE

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August 10, 2022

Vancouver, British Columbia: Nova Royalty Corp. (“Nova” or the “Company”) has reported its financial results for the quarter ended June 30, 2022. Nova's financial statements and management's discussion and analysis for the three and six months ended June 30, 2022 are available on Nova's website at www.novaroyalty.com and on SEDAR at www.sedar.com.

Q2 2022 highlights:

- **Quarterly Revenue:** The Company recognized royalty revenue of \$0.5 million, primarily related to the Aranzazu Royalty.
- **Secured Right to Acquire Josemaria Royalty:** In May 2022, Nova entered into a purchase agreement with arms' length private parties (the “**Sellers**”) pursuant to which Nova has secured the right to acquire a portion of an existing royalty on the Josemaria copper-gold-silver project in San Juan, Argentina, owned by Lundin Mining Corporation (“**Lundin Mining**”). Nova was also granted a Right of First Refusal in respect to an additional portion of the Josemaria Royalty.

Subsequent to quarter end:

- **Added Guy Elliott to Board of Directors:** In July 2022, Nova added Guy Elliott to the Company's Board of Directors as Audit Committee Chair. Mr. Elliott brings a wealth of valuable experience in financial reporting, internal controls, financing and related securities filings and compliance in Canada and the United States.

Alex Tsukernik, President & CEO of Nova, commented, “During the second quarter of 2022 we further solidified our foundational portfolio of royalties on the next generation of major copper projects being actively advanced by industry-leading operators. In May 2022, we acquired the rights to a royalty on Lundin Mining's Josemaria copper-gold-silver project, which is one of the most advanced large-scale copper development projects in the Americas.”

Mr. Tsukernik continued, “Looking at the Nova portfolio, we are pleased by the continued forward progress of our royalty assets during the quarter. In addition to continued strength at the producing Aranzazu mine, many of our key royalty assets – including Taca Taca, Copper World, Josemaria, and Vizcachitas – were actively advanced along their respective paths to production. Nova's concentration of royalties on this group of the most advanced major copper assets in the Americas positions it very well for the future.”

Mr. Tsukernik concluded, “We enter the second half of the fiscal year on solid financial footing, and well-positioned to capitalize on further opportunities in the copper royalty space. We look forward to updating the market at the appropriate time.”

Financial summary

Nova recognized \$0.5 million in revenue during the second quarter of 2022, compared to \$Nil in the comparative quarter a year ago. The increase in revenue was due to the Aranzazu Royalty. For Q2 2022, the Company recorded a net loss of \$2.0 million (\$0.02 per share), compared to a net loss of \$1.4 million (\$0.02) per share in the prior year period. The loss was largely attributable to higher general and administrative (“G&A”) expenses relating to ongoing royalty acquisition initiatives and personnel recruitment costs, share-based payments, and interest expenses, which was partially offset by higher revenue (net of depletion). Excluding share-based payments, G&A during the period was approximately \$1.0 million, compared to \$0.7 million in the comparative period.

Asset update

Taca Taca

First Quantum continued pre-development and feasibility activities at Taca Taca during Q2 2022. During the second quarter of 2021, First Quantum submitted two environmental permits regarding key infrastructure at Taca Taca. The primary Environmental and Social Impact Assessment (“ESIA”) for Taca Taca was submitted to the Secretariat of Mining of Salta Province in 2019 and approval of the ESIA is anticipated in late 2022. First Quantum expects to continue permitting work at Taca Taca throughout 2022, in addition to engaging with government regarding key aspects of an administrative and fiscal regime for investment into Argentina⁽¹⁾.

As of June 30, 2022, First Quantum last reported proven & probable mineral reserves at Taca Taca of 1,758.5 million tonnes at 0.44% Copper, 0.09 g/t gold, and 0.012% molybdenum⁽²⁾.

Aranzazu

Aura Minerals disclosed that Aranzazu sold 11.7 Mlbs copper equivalent (“CuEq”) at cash costs of US\$1.61/lb CuEq during Q2 2022. Sales and production at Aranzazu were in line with Aura’s expectations. CuEq sales were 17% higher than in Q2 2021, but 17% below Q1 2022. Lower quarterly sales in Q2 2022 were primarily a result of lower grades, consistent with the Aranzazu mine plan and sequencing aimed to develop the mine to access higher grade areas for production later in 2022⁽³⁾.

Aura Minerals also revised its production guidance for Aranzazu, moving from 108,000 – 120,000 gold equivalent ounces to 115,000 – 120,000 gold equivalent ounces. On a gold equivalent basis, Aura reported Q1 2022 production of 30,393 oz and Q2 2022 production of 26,352 oz⁽³⁾.

As of June 30, 2022, Aura last reported proven and probable mineral reserves at Aranzazu of 6.4 million tonnes at 1.38% copper, 0.97 g/t gold and 18.82 g/t silver⁽⁴⁾.

Copper World Complex

Hudbay released the results of the Copper World Complex preliminary economic assessment (“PEA”) during Q2 2022, which includes the recently discovered Copper World deposits along with the Rosemont deposit. The PEA contemplates a two-phase mine plan that has an after-tax net present value (10%) of US\$1,296 million and generates an 18% internal rate of return at \$3.50 per pound copper. Hudbay also reported a significant increase in copper contained in all mineral resource categories, as compared to the mineral resources included in the 2017 feasibility study published by Hudbay for the Rosemont project.

Hudbay reported that phase I reflects a stand-alone operation on private land and patented mining claims over a 16-year mine life with average annual copper production of approximately 86,000 tonnes from mined resources at cash costs and sustaining cash costs of US\$1.15 and US\$1.44 per pound of copper, respectively. Phase II expands mining activities onto federal land and extends the mine life to 44 years with average annual copper production of approximately 101,000 tonnes from mined resources at cash costs and sustaining cash costs of US\$1.11 and US\$1.42 per pound of copper, respectively⁽⁵⁾.

Subsequent to quarter end, in July 2022 Hudbay announced that it received approval from the Arizona State Mine Inspector for its amended Mined Land Reclamation Plan for the Copper World Complex. Hudbay expects to submit applications for the other key State and local permits for Phase I of the Copper World Complex in the second half of 2022.

Hudbay also announced that it would be advancing a pre-feasibility study (“PFS”) for Phase I of the Copper World Complex, which will focus on converting the remaining inferred mineral resources to measured and indicated and evaluating many of the project optimization and upside opportunities⁽⁵⁾.

Josemaria

In April 2022, Lundin Mining acquired Josemaria through its acquisition of Josemaria Resources. On April 11, 2022, the mining authority of San Juan, Argentina approved the Environmental Social Impact Assessment for Josemaria. Lundin Mining reported that it is currently advancing commercial agreements and additional sectoral permits with national and provincial authorities in Argentina, which it expects to complete in 2022 ahead of a construction decision.

Lundin Mining also reported that it is completing basic engineering, which is approximately 23% complete, and study work for an updated technical report, which will include updated cost estimates and evaluation of potential scope changes compared to plans envisaged in a feasibility study completed by Josemaria Resources in November 2020.

Lundin Mining has stated that it expects to publish an updated technical report in Q4 2022 and intends to spend up to \$300 million to advance development of Josemaria. As part of the technical report update, Lundin Mining reported that it plans to complete a new Mineral Resource and Mineral Reserve estimate, which will incorporate approximately 31,200 metres of drilling that have been completed at Josemaria since the 2020 feasibility study⁽⁶⁾.

As of June 30, 2022, Lundin Mining last reported proven and probable mineral reserves at Josemaria of 1,012 million tonnes at 0.30% copper, 0.22 g/t gold, and 0.94 g/t silver⁽⁷⁾.

Vizcachitas

In March 2022, Los Andes Copper (“LAC”) announced a plan to temporarily suspend drilling at Vizcachitas in response to a Second Environmental Court decree granting a preliminary injunction on LAC’s drilling activities⁽⁸⁾. In July 2022, the Second Environmental Court revised the preliminary injunction issued in March, allowing drilling activities to continue at Vizcachitas. LAC previously announced that, prior to the Second Environmental Court injunction in March 2022, sufficient drilling had been completed in order to provide an updated resource estimation and complete a PFS in Q4 2022⁽⁹⁾. The Second Environmental Court’s revised decision in June 2022 will allow LAC to pursue its original plan of further delineating extensions of the mineralized body at Vizcachitas concurrently with activities related to the PFS. LAC announced that it continues to target completion of a PFS in Q4 2022⁽¹⁰⁾.

Second quarter 2022 conference call and webcast:

Nova will hold a conference call and webcast with management for investors and analysts on August 11, 2022 at 12:00 pm ET. Analysts and investors are invited to participate using the following dial-in numbers or webcast link:

Participant Number (Local): 416-764-8609

Participant Number (Toll-Free): 888-390-0605

Conference ID: 03117806

Audience URL: <https://app.webinar.net/W64Yj3XLgqa>

A replay of the conference call will be available until 11:59 pm (ET) August 25, 2022, and can be accessed using the following dial-in numbers.

Encore (Local): 416-764-8677
Encore (Toll-Free): 1-888-390-0541
Encore ID: 117806#

About Nova

Nova Royalty Corp. is a copper-focused royalty company. Nova has assembled a portfolio of royalties on a significant proportion of the next generation of major copper projects located in 1st-tier jurisdictions, providing investors exposure to some of the most critical resource assets for the clean energy transition. These projects are being advanced by the world's premier mining companies, which include First Quantum, Lundin, Hudbay, Anglo American and Glencore, among others. The Company is headquartered in Vancouver, British Columbia and is listed on the TSX Venture Exchange under the trading symbol "NOVR" and on the US OTCQB under the trading symbol "NOVRF".

ON BEHALF OF NOVA ROYALTY CORP.,

(signed) "Alex Tsukernik"
President and Chief Executive Officer

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Notes:

- (1) Refer to First Quantum Minerals 2021 Annual Report, Capital Markets Day Presentation dated January 2022, and Capital Markets Day Call Transcript, dated Tuesday, January 18, 2022.
- (2) Refer to First Quantum Minerals' NI 43-101 Technical Report Titled "Taca Taca Project, Salta, Argentina" prepared by David Gray (QP) BSc(Geology), MAusIMM, FAIG), Group Mine and Resource Geologist, FQM (Australia) Ltd, filed November 30, 2020.
- (3) Refer to Aura Minerals' Management's Discussion and Analysis for the three and six months ended June 30, 2022.
- (4) Refer to Aura Minerals' NI 43-101 Technical Report Titled "Feasibility Study of the Re-Opening of the Aranzazu Mine, Zacatecas, Mexico" prepared by F. Ghazanfari, P.Geo. (Farshid Ghazanfari Consulting), filed January 31, 2018.
- (5) Refer to Hudbay's Management's Discussion and Analysis for the three and six months ended June 30, 2022.
- (6) Refer to Lundin Mining's Management's Discussion and Analysis for the three and six months ended June 30, 2022.
- (7) Refer to Lundin Mining's NI 43-101 Technical Report Titled "Josemaria Technical Report" prepared by Mr. Robert McCarthy, P.Eng, filed September 28, 2020.
- (8) Refer to the press release titled "Los Andes Copper Announces Plan to Temporarily Suspend Drilling" published by Los Andes Copper Ltd. on March 21, 2022.
- (9) Refer to the press release titled "Los Andes Copper Corporate Update" published by Los Andes Copper Ltd. on March 29, 2022.
- (10) Refer to the press release titled "Los Andes Copper Announces Decision by the Environmental Court Reinstating Drilling Permit" published by Los Andes Copper Ltd. on July 21, 2022.

Technical and Third-Party Information

Nova has limited, if any, access to the properties on which Nova holds a royalty, stream or other interest. Nova is dependent on (i) the operators of the mines or properties and their qualified persons to provide technical or other information to Nova, or (ii) publicly available information to prepare disclosure pertaining to properties and operations on the mines or properties on which Nova holds a royalty, stream or other interest, and generally has limited or no ability to independently verify such information. Although Nova does not have any knowledge that such information may not be accurate, there can be no assurance that such third-party information is complete or accurate. Some information publicly reported by operators may relate to a larger property than the area covered by Nova's royalty, stream or other interests. Nova's royalty, stream or other interests can cover less than 100% and sometimes only a portion of the publicly reported mineral reserves, resources and production of a property.

*Unless otherwise indicated, the technical and scientific disclosure contained or referenced in this press release, including any references to mineral resources or mineral reserves, was prepared in accordance with Canadian National Instrument 43-101 ("**NI 43-101**"), which differs significantly from the requirements of the U.S. Securities and Exchange Commission (the "**SEC**") applicable to U.S. domestic issuers. Accordingly, the scientific and technical information contained or referenced in this press release may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.*

"Inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Historical results or feasibility models presented herein are not guarantees or expectations of future performance.

Cautionary Note Regarding Forward-Looking Statements

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation. The forward-looking statements herein are made as of the date of this press release only, and the Company does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements and information include, but are not limited to, the existence of future business opportunities; the continuation of permitting work at Taca Taca throughout 2022; the development of the Aranzazu mine to access higher grade areas for productions later in 2022; Hudbay advancing a pre-feasibility study for Phase I of the Copper World Complex; Lundin Mining publishing an updated technical report on Josemaria, future gold, silver, and copper prices; other potential developments relating to, or achievements by the counterparties for Nova's stream and royalty agreements, and with respect to mines or other properties Nova has, or may acquire, a stream or royalty interest; estimates of future productions, costs and other financial or economic measures; and future expectations regarding royalties and streams of Nova.

Such forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Nova to control or predict, that may cause Nova's actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including, but not limited to, risks associated with the impact of general business and economic conditions; the absence of control over mining operations from which Nova will purchase precious metals or from which it will receive stream or royalty payments and risks related to those mining operations, including risks related to international operations, government and environmental regulation, delays in mine development, construction and operations, actual results of mining and current exploration activities, conclusions of

economic evaluations and changes in project parameters as plans are refined; problems related to the ability to market precious metals or other metals; industry conditions, including commodity price fluctuations, interest and exchange rate fluctuations; interpretation by government entities of tax laws or the implementation of new tax laws; regulatory, political or economic developments in any of the countries where properties in which Nova holds a royalty, stream or other interest are located or through which they are held; risks related to the operators of the properties in which Nova holds a royalty or stream or other interest, including changes in the ownership and control of such operators; risks related to global pandemics, including the novel coronavirus (COVID19) global health pandemic, and the spread of other viruses or pathogens; influence of macroeconomic developments; business opportunities that become available to, or are pursued by Nova; reduced access to debt and equity capital; litigation; title, permit or license disputes related to interests on any of the properties in which Nova holds a royalty, stream or other interest; the volatility of the stock market; competition; future sales or issuances of debt or equity securities; use of proceeds; dividend policy and future payment of dividends; liquidity; market for securities; enforcement of civil judgments; and the risk factors set out under the heading "Risk Factors" in the Company's annual information form dated April 29, 2022 and other filings available for review on the Company's profile at www.sedar.com. Such forward-looking information represents management's best judgment based on information currently available. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.