



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

FOR IMMEDIATE RELEASE

TSXV: NOVRF
OTCQB: NOVRF

November 16, 2022

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

Q3 2022 highlights:

- **Revenue:** for the three and nine months ended September 30, 2022, recognized revenue of \$344,155 and \$1,488,461, respectively, from its NSR interests, primarily related to the Aranzazu NSR.
- **Updated at-the-market equity program:** on November 14, 2022, the Company filed a preliminary short form base shelf prospectus (the “**Base Shelf Prospectus**”) in all provinces of Canada to enhance the Company's financial flexibility. In connection with this transition, the Company intends to terminate its earlier 2021 ATM Program (as defined below) and establish the 2022 ATM Program (as defined below).

Alex Tsukernik, President & CEO of Nova, commented, “We saw progress on multiple fronts in Q3 2022 as our portfolio of royalties on tier-one, large-scale copper projects continued to advance. Many of our key assets were actively progressed during the quarter, most notably Taca Taca, Copper World, Josemaria, and Vizcachitas. We are encouraged by the demonstrated commitment shown by the skilled owner-operators of these assets to develop these projects in a prudent, methodical way. We also saw strong operational performance from the Aranzazu mine, which reported higher quarter-over-quarter copper equivalent production and continues to be a valuable contributor of royalty revenue to Nova.”

Mr. Tsukernik concluded, “With the long-term foundation of the Nova portfolio set and our key assets moving forward, we have prioritized balancing our cash flow profile by adding cash-flowing and near-term cash-flowing royalties. This is a major strategic focus for Nova, which we expect will set us up for sustainable profitability. We were very active in Q3 2022 on advancing deals on cash-flowing or near-term cash-flowing assets and we continue to work towards executing on this leg of our strategy. I look forward to updating the market when appropriate.”

Asset update

Aranzazu

Aura Minerals Inc. (“**Aura**”) disclosed that Aranzazu sold 12.7 Mlbs copper equivalent (“**CuEq**”) at cash costs of US\$1.48/lb CuEq during Q3 2022. CuEq sales were 10% higher than in Q3 2021 and 9% higher than in Q2 2022. Aura reported that ore processed reached a historical record high during Q3 2022, achieving 313,000 tonnes in the quarter and surpassing the estimated maximum capacity of 100,000 tonnes

per month. Additionally, Aura reported that copper grade was 10% higher and gold grade was 2% higher than Q3 2021 due to mine plan sequencing and higher-grade material at the Glory Hole deposit. Copper concentrate production was 9% higher during Q3 2022 than in Q3 2021⁽¹⁾.

Nova recognized \$0.3 million in revenue during the third quarter of 2022, compared to \$0.2 million in the comparative quarter, attributable to the Aranzazu royalty. Q3 2022 revenue recognized by Nova from the Aranzazu royalty was negatively impacted by approximately US\$0.1 million due to nonrecurring price adjustments reported by Aura and lower copper prices. Aura reported price adjustments of US\$10,331,000 in accordance with the offtake agreement between Aranzazu and Trafigura Mexico, S.A. According to a contractual provision which exists in the offtake agreement between Aranzazu and Trafigura, on a monthly basis, Trafigura is entitled to select an effective copper price determination period of either (i) the average market price of the subsequent month after an invoice is issued or (ii) the average market price of the fourth month after an invoice is issued. Both alternatives are subject to cash adjustments. Trafigura has selected alternative (ii) the average market price of the fourth month after an invoice is issued, since the beginning of 2022⁽¹⁾. Without this adjustment, Q3 2022 revenue for Nova would have been approximately \$0.5 million.

Aura also revised its production guidance for Aranzazu, moving from 115,000-120,000 to 109,000-110,000 gold equivalent ounces (“**GEO**”). Aura reported that the downward revision in Aranzazu production guidance was driven largely by assumptions for average copper market prices, which negatively affects the calculation of GEO. Aura reported that, using previous price assumptions for copper and gold prices, Aranzazu would be expected to produce approximately 8,000 additional GEO during 2022⁽¹⁾.

As of September 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⁽²⁾.

Taca Taca

First Quantum Minerals Ltd. (“**First Quantum**”) continued pre-development and feasibility activities at Taca Taca during Q3 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. Water supply studies and pump tests to support the application for a water permit advanced steadily in 2022 and are expected to be completed in early 2023⁽³⁾. 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⁽⁴⁾.

As of September 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⁽⁵⁾.

Copper World Complex

Copper World requires state and local permits for Phase I. Hudbay Minerals Inc. (“**Hudbay**”) reported that, on September 21, 2022, an application for an Aquifer Protection Permit was submitted to the Arizona Department of Environmental Quality (“**ADEQ**”), and on October 21, 2022, an application for an Air Quality Permit was submitted to the ADEQ. Hudbay reported that it expects to receive these two remaining state permits by mid-2023. Hudbay reported that the other key state permit, the Mined Land Reclamation Plan, was received in July 2022⁽⁶⁾.

Hudbay reported that it is continuing to advance pre-feasibility activities for Phase I of Copper World, which is expected to include conversion of inferred mineral resources to measured and indicated, optimization of the layout and sequencing of the processing facilities, and the evaluation of other upside opportunities. Pre-feasibility level engineering for the processing plant is at 85% completion as of September 30, 2022 and geotechnical and hydrogeological site investigation activities have been completed. Pre-feasibility engineering design and metallurgical test work are on track to be completed by the end of 2022, with the

results of pre-feasibility activities expected to be published in a pre-feasibility study (“PFS”) during the first half of 2023⁽⁶⁾.

Upon receipt of the state permits required for Phase I, Hudbay reported that it expects to conduct a bulk sampling program to continue to de-risk Copper World by testing grade continuity, variable cut-off effectiveness, and metallurgical strategies in high-grade, near surface areas. Hudbay reported that it intends to prioritize the completion of the PFS, state level permits, bulk sampling program, and a minority joint venture partner process in 2023, with feasibility study activities in 2024⁽⁶⁾.

Josemaria

Lundin Mining Corporation (“**Lundin Mining**”) reported that it is currently advancing commercial agreements and additional sectoral permits with national and provincial authorities in Argentina. Lundin Mining also reported that it is advancing work towards a baseline capital cost estimate and project execution schedule⁽⁷⁾.

Plant engineering, including procurement of long-lead equipment, is ongoing, and was 33% complete as of September 30, 2022. Early works continue onsite, including the preparation of platforms for the camp and batch plant, additional fuel storage, and increasing camp capacity. Lundin Mining reported that it expects to continue advancing the building of additional camp capacity, internal access road construction, access road maintenance, and water and geotechnical work during the remainder of 2022⁽⁷⁾.

Lundin Mining reported that it intends to spend approximately US\$300 million at Josemaria during 2022, of which, US\$150.5 million was spent as of September 30, 2022. Additionally, Lundin Mining reported that approximately 31,000 meters of drilling has been completed at Josemaria since a 2020 Mineral Resource and Mineral Reserve Estimate was published by Josemaria Resources, the results of which will be incorporated into a new estimate to be published by Lundin Mining⁽⁷⁾.

As of September 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⁽⁸⁾.

Vizcachitas

On September 29, 2022, Los Andes Copper (“**LAC**”) announced that it continued to advance the PFS for the Vizcachitas project. Initial resource modelling for mine plan optimization work on general engineering, infrastructure planning, plant design, and environmental considerations are all ongoing. LAC reported that it expects to resume drilling in Q4 2022, with the objective of expanding resources at Vizcachitas beyond those currently being considered in the PFS⁽⁹⁾.

LAC now expects to finalize the PFS by the first quarter of 2023⁽¹⁰⁾.

Financial summary

For Q3 2022, the Company recorded a net loss of \$2.3 million or \$0.03 per share, compared to a net loss of \$1.7 million or \$0.02 per share in the comparative quarter. The loss was largely attributable to a higher general and administrative (“**G&A**”) expense relating to higher personnel recruitment costs, share-based payments, interest expenses, foreign exchange loss, and \$0.2 million of deferred acquisition costs, which were expensed as management determined one of its proposed acquisitions would not be completed. Excluding share-based payments, G&A expense during Q3 2022 was approximately \$1.0 million, compared to \$0.7 million in the comparative quarter.

Updated at-the-market equity program

Nova intends to enter into a new equity distribution agreement (the “**Distribution Agreement**”) with BMO Capital Markets (the “**Lead Agent**”) and PI Financial Corp. (together with the Lead Agent, the “**Agents**”) to establish an at-the-market equity program (the “**2022 ATM Program**”). The Distribution Agreement is

expected to allow the Company to distribute up to \$25 million in common shares of the Company (the "**Offered Shares**") under the 2022 ATM Program. The Offered Shares are expected to be issued by the Company to the public from time to time, through the Agents, at the Company's discretion. The Offered Shares sold under the 2022 ATM Program, if any, are expected to be sold at the prevailing market price at the time of sale. The net proceeds of any such sales will be used to finance the future purchase of streams and royalties by the Company and for working capital purposes.

Under the intended Distribution Agreement, sales of Offered Shares will be made by the Agents through "at-the-market distributions" as defined in National Instrument 44-102 – *Shelf Distributions* on the TSX Venture Exchange, or any other trading market for the Offered Shares in Canada. The Company is not obligated to make any sales of Offered Shares under the intended Distribution Agreement. Unless earlier terminated by the Company or the Agents as permitted therein, the Distribution Agreement will terminate upon the earlier of (a) the date that the aggregate gross sales proceeds of the Offered Shares sold under the 2022 ATM Program reaches the aggregate amount of \$25 million; or (b) the termination date specified in the Distribution Agreement.

The 2022 ATM Program will be made pursuant to a prospectus supplement, which Nova intends to file following the issuance of a receipt for the final Base Shelf Prospectus. The prospectus supplement relating to the 2022 ATM Program will be filed with the securities commissions in each of the provinces of Canada. Copies of the relevant documents will be available on SEDAR at www.sedar.com. Alternatively, the Lead Agent will send copies of the relevant documents to Canadian investors upon request by contacting the Lead Agent at BMO Capital Markets, by mail at Brampton Distribution Centre, 9195 Torbram Road, Brampton, Ontario, L6S 6H2, attn: The Data Group of Companies, by email at torbramwarehouse@datagroup.ca or by telephone at 905-791-3151 ext. 4312.

Nova first established a \$25 million at-the-market program on February 26, 2021 (the "**2021 ATM Program**") with BMO Capital Markets and PI Financial Corp. From inception to September 30, 2022, the Company distributed 2,033,900 common shares under the 2021 ATM Program at an average price of \$3.50 per share for gross proceeds of \$7,118,295 (of which no common shares were sold during the three months ended September 30, 2022), with aggregate commissions paid or payable of \$177,957, resulting in net proceeds of \$6,940,338. As of the date of this press release, the Company has distributed a total of 3,002,600 common shares under the 2021 ATM Program for gross proceeds of \$8,612,326. The Base Shelf Prospectus, when made final, will replace the amended and restated base shelf prospectus previously filed by the Company. In connection with this transition, the Company will terminate its 2021 ATM Program.

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities, nor will there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

Third quarter 2022 conference call and webcast:

Nova will hold a conference call and webcast with management for investors and analysts on November 17, 2022 at 10:00 am 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: 92655824
Audience URL: <https://app.webinar.net/3ZjeNP7WJEP>

A replay of the conference call will be available until 11:59 pm (ET) December 1, 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: 655824#

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 Aura Minerals' Management's Discussion and Analysis for the three and nine months ended September 30, 2022.
- (2) Refer to Aura Minerals' Annual Information Form for the year ended December 31, 2021.
- (3) Refer to First Quantum Minerals Management's Discussion and Analysis for the third quarter ended September 30, 2022.
- (4) 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.
- (5) 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, amended and restated March 30, 2021.
- (6) Refer to Hudbay's Management's Discussion and Analysis for the three and nine months ended September 30, 2022.
- (7) Refer to Lundin Mining's Management's Discussion and Analysis for the three and nine months ended September 30, 2022.
- (8) 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.
- (9) Refer to the press release titled "Los Andes Copper Project Update" published by Los Andes Copper Ltd. on September 29, 2022.
- (10) Refer to the press release titled "Los Andes Copper Appoints Santiago Montt as Interim Chief Executive Officer" published by Los Andes Copper Ltd. on November 2, 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.

Qualified Person

Technical information contained in this press release originates in the public disclosure set out above and has been reviewed and approved by Christian Rios, AIPG Certified Professional Geologist, Advisor to Nova and a Qualified Person as defined in National Instrument 43-101, Standards of Disclosure for Mineral Projects.

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, statements with respect to future events or future performance of Nova; the existence of future business opportunities; ESIA approval for Taca Taca and the expected timing thereof; completion of water supply studies and pump tests by First Quantum and expected timing thereof; the continuation of permitting work at Taca Taca throughout 2022 and First Quantum's expectation to engage with government regarding an investment into Argentina; obtaining state and local permits for Copper World and expected timing thereof; 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, conducting a bulk sampling program, minority joint venture partner process and feasibility study activities and expected timing thereof; Lundin Mining's activities and the total expected spend for Josemaria; LAC's plan to resume drilling and finalize the PFS and expected timing thereof; statements with respect to entering into the Distribution Agreement, filing the prospectus supplement, the future issuance of Offered Shares sold under the 2022 ATM Program; the aggregate gross proceeds of the 2022 ATM Program; and the use of proceeds from any sales of Offered Shares under the 2022 ATM Program; 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; disclosure regarding any payments to be paid to Nova by property owners or operators of mining projects pursuant to net smelter returns and other royalty agreements; 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; that Nova may not be able to enter into the Equity Distribution Agreement; that Nova may not sell any of the Offered Shares or may raise less than the maximum offering amount under the 2022 ATM Program; management has broad discretion in the use of proceeds from the 2022 ATM Program; 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 (COVID-19) 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.