NOVA ROYALTY CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2021

GENERAL

This management's discussion and analysis ("MD&A") for Nova Royalty Corp. (the "Company" or "Nova") is intended to help the reader understand the significant factors that have affected Nova's performance and such factors that may affect its future performance. This MD&A, which has been prepared as of April 27, 2022, should be read in conjunction with the Company's financial statements for the year ended December 31, 2021 and the related notes contained therewith. The Company reports its financial position, financial performance and cash flows in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts included in the following MD&A are in Canadian dollars ("CAD") except where otherwise noted.

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and on the Company's website at www.NovaRoyalty.com

COMPANY OVERVIEW

Nova is a royalty and streaming company that is focused on acquiring copper and nickel metal purchase agreements, Net Smelter Return Royalties ("NSRs"), Gross Value Return Royalties ("GVRs"), Net Proceeds Royalties ("NPRs"), Net Profit Interests ("NPIs"), Gross Proceeds Royalties ("GPRs"), Gross Overriding Return Royalties ("GORs"), and non-operating interests in mining projects that provide the right to the holder of a percentage of the gross revenue from metals produced from the project or a percentage of the gross revenue from metals produced from the project after deducting specified costs, if any, respectively. The Company's common shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol "NOVR" and the OTCQB Venture Market ("OTCQB") under the symbol "NOVRF". The head office and principal address is 501: 543 Granville Street, Vancouver, British Columbia, Canada. Nova's focus on nickel and copper provides exposure to the generational shift from fossil fuels to clean energy and the broader electrification thesis.

In December 2019, a novel strain of coronavirus ("COVID-19") surfaced. Since March 2020, several measures have been implemented in Canada, Argentina, United States, and Chile, jurisdictions where the Company holds royalties and streams, in response to the increased impact from COVID-19. These measures, which include the implementation of travel bans, self-imposed quarantine periods, social distancing, and in some cases mine closures or suspensions, have caused material disruption to business globally. Global financial markets have experienced significant volatility. Governments and central banks have reacted with monetary and fiscal interventions designed to stabilize economic conditions. Uncertainties includes the duration, severity and scope of the outbreak and the measures taken by governments and businesses to contain the pandemic. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impact of COVID-19 on our business operations cannot be reasonably estimated at this time. The duration and impact on future production for our partner operators at their respective mining operations.

COMPANY HIGHLIGHTS

During the year ended December 31, 2021 and subsequently, the Company:

- increased the number of royalties held by the Company to 21 through the acquisition of the following projects:
  - 1.0% NSR on the Aranzazu copper-gold-silver mine in Mexico
  - 1.0% NPR on the West Wall copper-gold-molybdenum project in Chile
  - An additional 0.18% NSR on the Taca Taca copper-gold-molybdenum project in Argentina
  - 0.98% NSR on the Vizcachitas copper project in Chile
  - 0.135% NSR on the Copper World and Rosemont projects in Arizona, USA. Nova was also granted a Right of First Refusal in respect to an additional 0.540% NSR covering the same area as the 0.135% NSR

- recognized revenue of $703,044 from its NSR interests, primarily related to the Aranzazu NSR;

- from inception to the date of this MD&A, the Company had distributed 2,033,900 common shares under the ATM Program (as defined below) at an average price of $3.50 per share for gross proceeds of $7,118,295, with aggregate commissions paid or payable to the agents of $177,957, resulting in aggregate net proceeds of $6,940,338; and

- issued 4,139,600 common shares pursuant to a prospectus supplement to the Company's final short form base shelf prospectus dated February 19, 2021 for gross proceeds of $13,660,680 and with aggregate share issuance costs paid and/or accrued of $912,807.

SUMMARY OF ROYALTY INTERESTS

Since incorporation in June 2018 to the date of this MD&A, the Company has acquired the following producing and development-stage royalty assets:

Property	Asset Owner(s) [(1)]	Location	Metals	Type	Terms[(2)]
Taca Taca	First Quantum	Argentina	Cu-Au-Mo	NSR	0.42%
NuevaUnión	Newmont (50%)/Teck Resources (50%)	Chile	Cu-Au	NSR	2.0% Cu
Copper World & Rosemont	Hudbay Minerals Inc.	USA	Cu-Mo-Ag	NSR	0.135%[(3)]
West Wall	Anglo American (50%)/Glencore PLC (50%)	Chile	Cu-Au-Mo	NPR	1.0%
Aranzazu	Aura Minerals Inc.	Mexico	Cu-Au-Ag	NSR	1.0%
Dumont	Waterton Global Resources Investments	Canada	Ni-Co	NSR	2.0%
Vizcachitas	Los Andes Copper	Chile	Cu-Mo	NSR	0.98%
Twin Metals	Antofagasta PLC	USA	Cu-Ni-PGM	NSR	2.4% Cu-Ni

(1) 100% ownership, unless otherwise stated
(2) NSR/NPR applicable on all metals, unless otherwise stated
(3) Nova was granted a Right of First Refusal in respect to an additional 0.540% NSR covering the same area as the 0.135% NSR on the Copper World & Rosemont properties.

Taca Taca Project

Nova owns a 0.42% NSR on the Taca Taca copper-gold-molybdenum project, owned by First Quantum Minerals Ltd. ("First Quantum"; TSX: FM). This NSR is a part of a broader, existing 1.50% NSR on Taca Taca, where the remaining 1.08% is held by Franco-Nevada Corporation. Taca Taca is a porphyry copper-gold-molybdenum project located in northwestern Argentina in the Puna (Altiplano) region of Salta Province, approximately 55 kilometers east of the Chilean border and 90 kilometers east of Escondida, the world's largest copper mine. The project is located 10 kilometers from the railway line that connects Salta with Antofagasta with previous studies showing available local power and water sources for the operation of the project.

On November 30, 2020, First Quantum published a new NI 43-101 Technical Report on Taca Taca, which was subsequently updated in March 2021 to include additional financial disclosure. The report documented an updated Mineral Resource model and a maiden Mineral Reserve estimate of 7.7 million tonnes of contained copper, derived from an open pit mine design and plan which contemplates processing throughput of up to 60 million tonnes per annum through a conventional flotation circuit with a mine life of approximately 32 years. The recovered copper reaches a peak of approximately 275,000 tonnes per annum within the first ten years of operations. The primary Environmental and Social Impact Assessment ("ESIA") for the project, which covers the principal proposed project sites, was submitted to the Secretariat of Mining of Salta Province in 2019.

First Quantum is continuing pre-development and feasibility activities at Taca Taca. Taca Taca is envisaged to have a similar mine design and plant configuration as First Quantum's other large throughput mines, such as Sentinel, Cobre Panama, and the planned S3 expansion at Kansanshi, which will allow First Quantum to leverage continuous learnings from the design and execution of these operations in the development of Taca Taca. 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 during 2022, in addition to engaging with government regarding key aspects of an administrative and fiscal regime for investment into Argentina.[1]

As of December 31, 2021, 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].

NuevaUnión Project

Nova owns a 2.0% NSR on the NuevaUnión project in Chile, which is a 50-50 joint venture between Teck Resources Limited ("Teck"; TSX: TECK.A and TECK.B) and Newmont Corporation ("Newmont"; NYSE: NEM). The NSR is on a portion of the project that relates to copper revenues from the Cantarito Claim within the La Fortuna deposit. Teck previously guided to completion of a Feasibility Study in Q1 2020. The joint venture is currently engaged in review of study results and assessment of optimization opportunities, which is expected to continue in 2022.

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[1] *Source: 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] *Source: First Quantum Amended and Restated Technical Report NI 43-101 dated March 30, 2021.*

As of December 31, 2021, Teck last reported proven & probable reserves at the La Fortuna deposit of 682.2 million tonnes at 0.51% copper and 0.47 g/t gold.

Copper World & Rosemont Projects

In February 2022, Nova acquired a 0.135% NSR on the Copper World and Rosemont copper projects in Arizona, USA, (the "Copper World & Rosemont Royalty") owned by Hudbay Minerals Inc. ("Hudbay"; TSX: HBM and NYSE: HBM). Nova was also granted a Right of First Refusal ("ROFR") in respect to an additional 0.540% NSR covering the same area as the Copper World & Rosemont Royalty. The Copper World & Rosemont Royalty covers all metals, including copper, molybdenum, silver, and gold extracted from the majority of mining claims covering Copper World and Rosemont. Specifically, 132 patented claims (all the patented claims associated with Copper World and Rosemont), 603 unpatented claims, and one parcel of fee associated land are covered by the Copper World & Rosemont Royalty.

Copper World is 100% owned by Hudbay and is comprised of seven newly discovered deposits located predominantly on patented mining claims adjacent to Rosemont in Pima County, Arizona, USA. Hudbay has defined seven deposits at Copper World hosting both oxide and sulphide mineralization over a seven-kilometre strike, potentially amenable to heap leach and floatation processing methods, respectively. Drilling also identified significant high-grade, near surface mineralization with the potential to form part of a low-cost copper operation located primarily on public land.[3] Considerable potential synergies exist between Copper World and Rosemont. Hudbay expects to reflect preliminary expectations of these synergies in a preliminary economic assessment ("PEA") of Copper World, which Hudbay expects to complete in H1 2022. Hudbay is also planning to advance a pre-feasibility study ("PFS") in H2 2022, following completion of the PEA. [4]

As of December 31, 2021, Hudbay last reported indicated resources at Copper World of 272 million tonnes at 0.36% copper, 90 g/t molybdenum and 1.79 g/t silver and inferred resources at Copper World of 142 million tonnes at 0.36% copper, 83 g/t molybdenum and 2.44 g/t silver. [5]

Rosemont is a copper-molybdenum-silver deposit located in Pima County, Arizona, USA, owned 100% by Hudbay. In March 2017, Hudbay published a positive feasibility study for Rosemont and was advancing the project towards production. However, in July 2019, the US District Court for Arizona issued an unprecedented ruling that vacated the Final Record of Decision issued by the US Forest Service and resulted in the suspension of construction activities at Rosemont. Hudbay and the US Government have appealed the ruling to the US 9th Circuit Court of Appeals while Hudbay evaluates the next steps for Rosemont.[6] Once in production, Rosemont has the potential to be the third largest copper mine in the US.[7] The 2017 feasibility study for Rosemont contemplated an initial 19-year mine life with average annual copper production of 127kt at a cash cost of $1.14/lb Cu for the first 10 years.[8]

As of December 31, 2021, Hudbay last reported proven and probable reserves at Rosemont of 537.1 million tonnes at 0.44% copper, 116 g/t molybdenum and 4.57 g/t silver.[9]

West Wall Project

In June 2021, Nova acquired rights to a 1.0% NPR on the West Wall copper-gold-molybdenum project, owned by a 50-50 joint venture between Anglo American PLC ("Anglo American"; LSE: AAL) and Glencore PLC ("Glencore"; LSE: GLEN). Cash consideration of US$4,200,000 was paid on closing of the acquisition on June 18, 2021.

Under the terms of the West Wall acquisition, Sociedad Minera Auromín Limitada ("Auromín") assigned the Company all of the rights granted to Auromín (the "Participation"), as defined in a Participation Agreement between Auromín and a subsidiary of Anglo American, concerning West Wall and other mining tenements established as designated areas in the surrounding region ("Participation Agreement").

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[3] *Source: press release titled "Hudbay Announces Initial Mineral Resource Estimate at Copper World" published by Hudbay Minerals Inc. dated December 15, 2021.*

[4] *Source: press release titled "Hudbay Announces Initial Mineral Resource Estimate at Copper World" published by Hudbay Minerals Inc. dated December 15, 2021.*

[5] *Source: Hudbay Minerals Inc. Annual Information Form for the year ended December 31, 2021.*

[6] *Source: Investor Presentation titled "Hudbay Investor Presentation December 2021".*

[7] *Source: Investor Presentation titled "Hudbay Investor Presentation December 2021". As per Wood Mackenzie's copper mine database for current producing copper assets in the United States and ranked by annual copper production.*

[8] *Source: NI 43-101 technical report titled "Rosemont Project, Pima County, Arizona, USA" prepared by Hudbay, dated March 30, 2017.*

[9] *Source: Hudbay Minerals Inc. Annual Information Form for the year ended December 31, 2021.*

The Participation Agreement provides that, upon the fulfillment of certain conditions, including Anglo American making a production decision at West Wall, a sociedad contractual minera ("SCM") will be incorporated, and into which the mining tenements corresponding to the project will be transferred. The owner of the Participation will be issued shares in the SCM, which will give such owner an 8.0% interest in the SCM. Subsequently, if one or more mines are brought into production for West Wall or another designated area, Anglo American will repurchase from the owner of the Participation the shares in the SCM that correspond to a 7.0% interest in the SCM for a predetermined price, leaving the owner of the Participation with a 1.0% interest in the SCM, which entitles the owner to a 1.0% net proceeds of production royalty from West Wall. A SCM will be similarly established for any other designated area within the scope of the Participation Agreement, giving the owner of the Participation the same rights as stated above with respect to such designated areas.

All payments resulting from the repurchase by Anglo American of the 7.0% interest in the SCM will be reimbursed in full to Auromín. The Company will retain sole ownership of 1.0% of the shares in the SCM, which entitle the owner of such shares to the 1.0% net proceeds of production royalty from the project or such other designated area, as the case may be, which will not be subject to repurchase by Anglo American.

As of December 31, 2021, Anglo American and Glencore last reported indicated resources at West Wall of 861 million tonnes at 0.51% copper, 0.009% molybdenum and 0.05 g/t gold and inferred resources at West Wall of 1,072 million tonnes at 0.42% copper, 0.006% molybdenum and 0.05 g/t gold[10].

Aranzazu Mine

In August 2021, Nova acquired a 1.0% NSR on the Aranzazu copper-gold-silver mine (the "Aranzazu Royalty") owned by Aura Minerals Inc. ("Aura"; TSX: ORA). Consideration of US$8,000,000 cash and US$1,000,000 in common shares of the Company was paid on upon closing of the acquisition.

Aranzazu is a copper-gold-silver deposit located within the Municipality of Concepcion del Oro in the State of Zacatecas, Mexico, approximately 250 kilometers to the southwest of the city of Zacatecas. The current mine at Aranzazu has been in operation since 1962, with documented evidence of mining in the area dating back nearly 500 years. Aura is the sole owner and operator of Aranzazu, having assumed ownership in 2010. In 2014, Aura closed the mine to re-engineer and re-develop various aspects of the operation. The mine reopened in 2018 and attained commercial production in December 2018, since which time Aura has continually improved the efficiency of the operation. The Aranzazu operation comprises an underground mine using long hole open stoping and an on-site plant, which produces copper concentrate with gold and silver by-product via conventional flotation processing.

Aura recently achieved a throughput expansion at Aranzazu, increasing capacity by approximately 30% to 100,000 tons per month. As a result of this expansion, Aranzazu hit record production in Q3 2021, achieving monthly average ore mined and processed of 103kt during the quarter. Aranzazu subsequently delivered another quarter of record production in Q4 2021. Aura disclosed that Aranzazu produced 13.3 Mlbs CuEq at cash costs of US$1.29/lb CuEq during Q4 2021 and 45.9 Mlbs CuEq at cash costs of US$1.56/lb CuEq for the year ended December 31, 2021.[11]

Nova is entitled to 1.0% of the net smelter returns on all products sold at Aranzazu, less certain allowable deductions, provided that the monthly average price per pound of copper, as quoted by the London Metals Exchange, equals or exceeds US$2.00/lb. Aranzazu currently receives revenue from the sale of copper concentrate, including payment for gold and silver by-products, all of which is subject to the Aranzazu Royalty.

Nova expects to receive Aranzazu Royalty payments on a semi-annual basis in accordance with the terms of the Aranzazu Royalty. The seller of the Aranzazu Royalty was entitled to economic benefits on Aranzazu Royalty payments that accrued from July 1, 2021 up to August 27, 2021, the closing date of the Aranzazu acquisition. Nova fulfilled this obligation by paying approximately US$200,000 in cash in addition to the US$9.0 million purchase price paid for the Aranzazu Royalty on the closing date of the Aranzazu acquisition. Nova is entitled to receive 100% of the payments from the Aranzazu Royalty corresponding to the net smelter returns generated at Aranzazu following June 30, 2021.

As of December 31, 2021, Aura last reported proven and probable reserves at Aranzazu of 6.4 million tonnes at 1.38% copper, 0.97 g/t gold and 18.82 g/t silver.[12]

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[10] *Source: Anglo American Ore Reserves and Mineral Resources Report 2021 and Glencore Reserves & Resource statement as at December 31, 2021.*

[11] *Source: Aura Management's Discussion and Analysis for the three months and year ended December 31, 2021.*

[12] *Source: Aura Annual Information Form for the year ended December 31, 2021.*

Dumont Project

Nova owns a 2.0% NSR on the Dumont nickel-cobalt project located in Quebec. The NSR is on a portion of the deposit, representing approximately 21% of the measured & indicated resources as of July 11, 2019. Dumont is wholly owned by Waterton Global Resource Investments, which on July 28, 2020, completed the buyout of the 28% interest of Karora Resources Inc. ("Karora"), for total consideration of up to $48 million. In July 2019, Karora published proven and probable reserves of 1.028 billion tonnes grading 0.27% nickel and 107 ppm cobalt, measured resources of 372 million tonnes grading 0.28% nickel and 112 ppm cobalt and indicated resources of 1.293 billion tonnes grading 0.26% nickel and 106 ppm cobalt[13].

Vizcachitas Project

Nova owns a 0.98% NSR on the San Jose 1/3000 claim which represents approximately 50% of the project within the Vizcachitas copper-molybdenum porphyry project in Central Chile. Vizcachitas is 100% owned by Los Andes Copper ("LAC"; TSX-V: LA). In June 2019, Los Andes Copper completed a Preliminary Economic Assessment outlining a 45-year open-pit mine life at a throughput of 110,000 tonnes per day. The project is located in an area with developed infrastructure and is within 100 kilometers of three major operating mines, Los Pelambres owned by Antofagasta PLC (LSE: ANTO), Andina, owned by Codelco and Los Bronces, owned by Anglo American (LSE: AAL).

During 2021, LAC received all permits and permissions necessary to commence drilling activities at Vizcachitas, allowing LAC to undertake the drilling program needed to complete a Pre-Feasibility Study ("PFS"). LAC announced that additional drilling commenced at Vizcachitas on November 10, 2021.[14] In March 2022, LAC announced that sufficient drilling had been completed in order to provide an updated resource estimation and complete a PFS. LAC expects to publish an updated resource estimation for Vizcachitas in Q3 2022 with a PFS completed in Q4 2022.[15] Earlier in March 2022, LAC announced a plan to temporarily suspend the remaining drilling at Vizcachitas in response to a Second Environmental Court decree granting a preliminary injunction on LAC's drilling activities.[16] LAC is currently in the process of appealing the court decision, while proceeding with the updated resource estimate and PFS.

As of December 31, 2021, Los Andes last reported measured & indicated mineral resources at Vizcachitas of 1,284 million tonnes at 0.40% copper and 0.014% molybdenum[17].

Twin Metals Project

Nova owns a 2.4% NSR[18] on a portion of the Twin Metals copper-nickel-platinum group metals project, owned by Antofagasta PLC through its subsidiary, Twin Metals Minnesota ("TMM").

In September 2021, the United States Forest Service ("USFS") submitted an application to withdraw approximately 225,000 acres of land in the Superior National Forest from the scope of federal mineral leasing laws, subject to valid existing rights. In October 2021, the United States Bureau of Land Management ("BLM") rejected Twin Metals' Preference Right Lease Applications ("PRLAs") and Prospecting Permit Applications ("PPAs"). In January 2022, the United States Department of the Interior cancelled Twin Metals' MNES-1352 and MNES-1353 federal mineral leases. The PRLAs and federal mineral leases form a significant proportion of the mineral resources contained within Twin Metals' current project plan and, accordingly, it was determined that these events collectively represented an impairment trigger of the Company's royalty interest in the project.

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[13] *Source: Dumont Feasibility Study Technical Report NI 43-101 dated July 11, 2019.*

[14] *Source: press release titled "Los Andes Copper Starts Additional Drilling Program at Vizcachitas Copper Project in Chile" published by Los Andes Copper Ltd. on November 10, 2021.*

[15] *Source: press release titled "Los Andes Copper Corporate Update" published by Los Andes Copper Ltd. on March 29, 2022.*

[16] *Source: press release titled "Los Andes Copper Announces Plan to Temporarily Suspend Drilling" published by Los Andes Copper Ltd. on March 21, 2022.*

[17] *Source: Los Andes Copper Technical Report NI 43-101 dated June 13, 2019.*

[18] *The total royalty payable is ½ of the U.S. Government royalty, which was most recently quoted at 4.8%. The U.S. government royalty is subject to change, which would change the royalty payable to Nova. The royalty currently payable to Nova is calculated in the following formula: 4.8% * ½ * 1/3 * ore mined * grade mined * applicable prices of copper and nickel. The royalty is calculated on the basis of contained metal in ore by multiplying ore mined by the grade of the material – and does not subtract the usual deductions due to recoveries, payabilities, TC/RCs, and other applicable operating costs. The 1/3 multiplier in the royalty calculation formula is the mechanism by which those usual costs are captured.*

Prior to the resulting impairment assessment being performed, as at December 31, 2021 the Company had capitalized acquisition and due diligence costs as royalty interests on the statement of financial position of $2,661,221. The capitalized costs reflected the historical costs of acquiring the Twin Metals royalty interest and therefore did not reflect an estimate of the commercial potential of the project as at December 31, 2021.

The Company believes that Antofagasta has a valid legal right to the mining leases and a strong case to defend its legal rights. Although Antofagasta intends to pursue validation of those rights, considering the time and uncertainty related to any legal action to challenge the government decisions, a full impairment has been recognised as at December 31, 2021 in respect of the royalty interests previously capitalized.

As of December 31, 2021, Antofagasta last reported measured and indicated resources at the TMM Project of 1,293 million tonnes at 0.57% copper and 0.18% nickel.[19]

Exploration-Stage Royalties

Nova owns exploration-stage royalties in multiple mineral camps in Canada, principally in Ontario and British Columbia. The Company will disclose additional information pertaining to the royalties as they show an increase in materiality to the Company's total value. Their listing appears below.

Property	Asset Owner(s)	Location	Metals[(1)]	NSR %
Janice Lake[(2)]	Rio Tinto/Forum Energy JV (100%)	Canada	Cu-Ag	1.0%
Wollaston[(2)]	Transition Metals Corp. (100%)	Canada	Cu-Ag	1.0%
Dundonald	Class 1 Nickel (100%)	Canada	Ni	1.25%
Bancroft	Transition Metals Corp. (100%)	Canada	Ni-Cu-PGM	1.0%
Maude Lake	Transition Metals Corp. (100%)	Canada	Ni-Cu-PGM	1.0%
Saturday Night	Transition Metals Corp. (100%)	Canada	Ni-Cu-PGM	1.0%
Copper King	Pacific Empire Minerals (100%)	Canada	Cu-Au	1.0%
Nub East	Pacific Empire Minerals (100%)	Canada	Cu-Au	1.0%
NWT	Pacific Empire Minerals (100%)	Canada	Cu-Au	1.0%
Pinnacle	Pacific Empire Minerals (100%)	Canada	Cu-Au	1.0%
Homathko	Transition Metals Corp. (100%)	Canada	Au	1.0%
Elephant Head[(3)]	Canadian Gold Miner (100%)	Canada	Au	1.0%
West Matachewan[(3)]	Laurion/Canadian Gold Miner (100%)	Canada	Au	1.0%

(1) NSR applicable on all metals, unless otherwise stated
(2) Part of the Wollaston Copper Belt Exploration Royalties
(3) NSR subject to a buyback of 0.5% for $750,000

CORPORATE UPDATES

In January 2022, Mr. Greg DiTomaso was appointed Vice President, Investor Relations of the Company.

FINANCIAL CONDITION, LIQUIDITY, AND CAPITAL RESOURCES

The Company considers items included in shareholders' equity as capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

As at December 31, 2021, the Company had a cash balance and working capital deficit of $962,745 and $313,563 (2020: $5,400,687 and working capital $1,793,227), respectively. Cash decreased due to cash used in operating and investing activities of $4,494,744 (2020: $1,489,508) and $29,889,705 (2020: $18,084,304), respectively, partially offset by cash provided by financing activities of $29,982,021 (2020: $24,817,142). Cash provided by financing activities primarily related to the issuance of common shares and the convertible loan facility, while cash used in investing activities primarily related to the acquisitions of royalty interests.

In February 2021, all principal and interest related to the initial advance on the Company's convertible debt financing was converted into 3,535,691 common shares. The Company received an additional $5,000,000 in convertible debt financing with a conversion price of $5.67 per common share, based on a 20% premium above the 30-day VWAP of Nova's common shares on the TSX-V on the date of issuance. Concurrently, the Company entered into an amended and restated convertible debt agreement, which increased the remaining funds available under the loan facility from $4,500,000 to a total of $20,000,000. As at December 31, 2021, there was $20,000,000 available to the Company remaining on the loan facility. As at the date of this MD&A, there was $18,500,000 available to the Company remaining on the loan facility, which accrues a standby charge of 1.5% per annum.

[19] *Source: Antofagasta PLC 2021 Annual Report.*

See "Risks and Uncertainties" and "Forward looking statements" in this MD&A for risks related to the Company's expectations and ability to obtain sources of funding. There has been no change in approach to managing capital in the past twelve months and management believes it will have sufficient working capital to undertake its current business and the budgets associated with those plans for the next twelve months.

Management of cash balances is based on internal investment guidelines. Cash is deposited with major Canadian financial institutions. Cash required for immediate operations is held in a chequing account and excess funds may be invested in accordance with the Company's capital resource objectives.

At-the-market equity program

In February 2021, the Company established an at-the-market ("ATM") equity program. Under the ATM equity program, the Company may distribute up to $25,000,000 in common shares of the Company (the "Offered Shares"). The Offered Shares will be sold by the Company, through the agents, to the public from time to time, at the Company's discretion, at the prevailing market price at the time of sale. The net proceeds from the ATM equity program will be used to finance the future purchase of royalties and streams and for general working capital purposes. The distribution agreement between the Company and its agents may be terminated at any time by the Company or the agents and if not so terminated will terminate upon the earlier of (a) the date that the aggregate gross sales proceeds of the Offered Shares sold under the ATM equity program reaches the aggregate amount of $25,000,000; or (b) November 1, 2022. For additional details about the ATM equity program, please see the press release by the Company dated February 26, 2021 and available on SEDAR at www.sedar.com.

For the year ended December 31, 2021, the Company had distributed 1,879,300 common shares under the ATM Program at an average price of $3.50 per share for gross proceeds of $6,591,456, with aggregate commissions paid or payable to the agents of $164,786, resulting in aggregate net proceeds of $6,426,669.

Operating activities

Cash used in operating activities was $4,494,744 (2020: $1,489,508) for the year ended December 31, 2021 and represents expenditures primarily on general and administrative expenses for both periods.

Investing activities

Cash used in investing activities for the year ended December 31, 2021 was $29,889,705 compared to $18,084,304 during the comparative period. Cash used in investing activities is highly dependent on the timing and acquisition of royalty interests.

Financing activities

Cash provided by financing activities for the year ended December 31, 2021 was $29,982,021 (2020: $24,817,142) which consisted of $26,820,550 (2020: $22,995,632) from the issuance of common shares from financings and exercise of stock options and share purchase warrants, less $1,534,213 (2020: $1,313,559) in share issuance costs. The Company received $4,703,939 (2020: $3,135,069) net of transaction costs on the issuance of convertible debt.

RESULTS OF OPERATIONS AND SELECTED FINANCIAL INFORMATION

Summary of quarterly results

The following table provides selected interim financial information for the applicable past quarters leading up to year ended December 31, 2021.

For the three months ended	December 31 2021	September 30 2021	June 30 2021	March 31 2021
Revenue	$ 517,076	$ 181,900	$ 1,995	$ 2,073
General and administrative expenses(1)	1,361,152	694,222	687,600	640,683
Share-based payments	1,247,044	796,766	547,136	295,434
Net loss for the period	5,244,180	1,676,971	1,353,220	1,149,893
Loss per share: basic and diluted	0.06	0.02	0.02	0.02

For the three months ended	December 31 2020	September 30 2020	June 30 2020	March 31 2020
Revenue	$ 2,063	$ -	$ -	$ -
General and administrative expenses(1)	1,184,881	421,152	267,249	150,166
Share-based payments	101,835	588,595	153,594	517,325
Net loss for the period	1,371,875	1,036,271	472,590	540,253
Loss per share: basic and diluted	0.03	0.04	0.02	0.02

(1) Excludes share-based payments

The Company's net loss varies mainly due to the level of operations activities and due diligence undertaken on new prospects, as well as the timing of share-based payments.

FINANCIAL RESULTS

For the three months ended December 31, 2021

For the three months ended December 31, 2021, the Company incurred a net loss of $5,244,180 (2020: $1,371,875). The loss for the quarter was comprised of royalty revenue of $517,076 (2020: $2,063), depletion expense of $294,105 (2020: $Nil), general and administration expenditures of $1,361,152 (2020: $1,184,881), share-based payments of $1,247,044 (2020: $101,835), interest expense on convertible debenture of $210,298 (2020: $90,598), impairment of royalty interest of $2,661,221 (2020: $nil) and deferred income tax expense of $3,875 (2020: $46,808 recovery). Some items to note include the following:

- revenue from royalty interests of $517,076 primarily related to the revenue from the Aranzazu NSR;
- professional fees of $94,487 (2020: $203,197), where the decrease was related to the Company's focus on completing its listing on the TSX Venture Exchange during the comparative period;
- impairment of royalty interest related to the Company's Twin Metals royalty as described above; and
- interest expense on convertible debenture of $210,128 (2020: $90,598), where the increase was as a result of a larger principal balance of convertible debenture over the comparative period.

SELECTED ANNUAL FINANCIAL RESULTS

	December 31 2021	December 31 2020	December 31 2019
Revenue	$ 703,044	$ 2,063	$ 5,000
General and administrative expenses(1)	3,383,657	2,023,448	492,254
Share-based payments	2,886,380	1,361,349	438,604
Net loss for the period	9,424,264	3,420,989	927,440
Loss per share: basic and diluted	0.12	0.11	0.04

(1) Excludes share-based payments

For the year ended December 31, 2021, the Company incurred a net loss of $9,424,264 (2020: $3,420,989). The loss for the period was comprised of royalty revenue of $703,044 (2020: $2,063), depletion expense of $395,829 (2020: $Nil), general and administration expenditures of $3,383,657 (2020: $2,023,448), share-based payments of $2,886,380 (2020: $1,361,349), interest expense on convertible debenture of $838,036 (2020: $90,598), impairment of royalty interest of $2,661,221 and deferred income tax recovery of $8,553 (2020: $46,808). Some items to note include the following:

- revenue from royalty interests of $703,044 primarily related to the revenue from the Aranzazu NSR from the closing date of the acquisition (August 27, 2021) to December 31, 2021;

- consulting fees during the year-ended December 31, 2021 were $2,023,770 (2020: $1,264,547), where the increase over the comparative period was related to increased activities related to the Company's royalty acquisition activities (such as ongoing review and management of a growing royalty portfolio and review of potential acquisition targets) and director and management fees;

- interest expense on convertible debenture of $838,036 (2020: $90,598), where the increase was as a result of a larger principal balance of convertible debenture over the comparative period; and

- impairment of royalty interest related to the Company's Twin Metals royalty as described above.

TRANSACTIONS WITH RELATED PARTIES

The Company entered into certain transactions with key management personnel, which the Company has defined as Officers and Directors of the Company. The aggregate value of these transactions and outstanding balances are as follows:

Year ended December 31, 2021		Salary or fees		Share-based payments		Total
Management	$	579,330	$	437,471	$	1,016,801
Directors		178,625		1,399,313		1,577,938
	$	757,955	$	1,836,784	$	2,594,739

For the year ended December 31, 2020		Salary or fees		Share-based payments		Total
Management	$	631,823	$	444,485	$	1,076,308
Directors		-		428,251		428,251
	$	631,823	$	872,736	$	1,504,559

During the year ended December 31, 2021, the Company paid or accrued $746,117 (2020 - $676,885) to DLA Piper (Canada) LLP ("DLA Piper"), a law firm in which a former director is a partner of. The aggregate amount has been allocated as follows: $210,025 (2020 - $293,067) for professional fees, $266,298 (2020 - $201,021) for debt and equity financing costs, and $269,794 (2020 - $182,797) for royalty interest acquisition costs. The partner became a former related party of the Company on November 18, 2021.

Also during the year ended December 31, 2021, the Company paid or accrued $180,000 (2020 - $105,001) to Seabord Services Corp. ("Seabord"). Seabord provides the following services: A Chief Financial Officer ("CFO"), a Corporate Secretary, accounting and administration staff, and office space to the Company. The CFO and Corporate Secretary are employees of Seabord and are not paid directly by the Company.

As at December 31, 2021, included in accounts payable and accrued liabilities is $489,997 (2020 - $382,227) to key management personnel for fees and reimbursable expenses, and $Nil (2020 - $45,000) to Seabord. In addition, as at December 31, 2021, the Company has a commitment to issue 57,144 (2020 - 57,144) common shares, valued at $28,572 (2020 - $28,572), to Seabord for services rendered during 2020 before the public listing was completed.

COMMITMENTS

As at December 31, 2021, the Company may be required to make payments related to its royalty interests, including milestone payments subject to certain achievements being met related to these royalty acquisitions:

- NuevaUnión: US$3,000,000 upon achievement of commercial production to be paid in cash and common shares of the Company;

- Twin Metals: US$4,000,000 payable in cash and common shares upon the completion of certain milestones with respect to the project;

- Janice Lake: $1,000,000 in cash upon the completion of a bankable feasibility study or the commencement of commercial production on the property; and a further $1,000,000 in common shares of the Company if the projected annual production of the property is at least 30,000 tonnes of contained copper for a minimum of 10 years;

- Taca Taca: US$4,000,000 due within 10 days after the date of the commencement of commercial production; and

- Vizcachitas: US$6,000,000 upon achievement of certain project milestones payable in common shares of the Company.

For further details, please refer to the Company's financial statements for the year ended December 31, 2021 on SEDAR at www.sedar.com.

OFF BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

EVENTS AFTER REPORTING DATE

Subsequent to December 31, 2021, the Company:

a) entered into a royalty purchase agreement to acquire a 0.135% NSR royalty on the Copper World and Rosemont copper projects in Arizona, USA owned by Hudbay Minerals Inc. (TSX: HBM). The total acquisition price of US$5,463,236, is payable as follows:
   a. $1,261,853 (US$992,647) cash paid on closing;
   b. US$500,000 paid through the issuance of 214,610 common shares of the Company with a fair market value of $667,437;
   c. US$992,647 in cash (the "deferred cash payment") due on or before the earlier of January 26, 2023 and 30 days after the Company completes a single equity financing resulting in aggregate net proceeds of at least US$10,000,000;
   d. US$2,977,942 in cash (the "final payment") due 30 days following the later of 12 months after the announcement of full-scale production and the receipt of the first three royalty payments under the agreement;

b) completed a drawdown of an additional $1,500,000 under the Company's existing amended and restated convertible loan facility with Beedie (Note 7). The drawdown is convertible by Beedie into common shares of the Company at a conversion price of $3.51 per common share, accrues interest at 8.00% per annum and matures on October 7, 2024.

c) issued 154,600 common shares in the ATM equity program for gross proceeds of $526,839 and with aggregate share issuance costs paid and/or accrued of $13,171;

d) issued 40,998 common shares of the exercise of 40,998 warrants for proceeds of $20,499;

e) issued 113,900 common shares pursuant to the vesting of 113,900 RSUs;

OUTSTANDING SHARE DATA

The Company's authorized share capital consists of an unlimited number of common shares and preferred shares without par value. As at the date of this MD&A, the Company has 84,915,702 common shares issued and outstanding. There are also 4,180,000 stock options with expiry dates ranging from March 1, 2024 to August 27, 2026, Nil warrants outstanding, and 1,191,100 RSUs with vesting dates up to February 26, 2024.

ACCOUNTING PRONOUNCEMENTS

Accounting standards adopted during the year

Please refer to the Company's financial statements for the year ended December 31, 2021 on SEDAR at www.sedar.com.

Accounting pronouncements not yet effective

Please refer to the Company's financial statements for the year ended December 31, 2021 on SEDAR at www.sedar.com.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The Company's significant accounting policies and estimates are disclosed in Note 2 of the annual financial statements for the year ended December 31, 2021.

RISK AND CAPITAL MANAGEMENT: FINANCIAL INSTRUMENTS

Please refer to the Company's financial statements for the year ended December 31, 2021 on SEDAR at www.sedar.com.

QUALIFIED PERSON

Technical information contained in this MD&A 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.

RISKS FACTORS

The Company's ability to generate revenues and profits from its natural resource properties is subject to a number of risks and uncertainties. For a full discussion on the risk factors affecting the Company, please refer to the Company's Long Form Non-Offering Prospectus dated August 14, 2020, which is available on SEDAR at www.sedar.com.

Changes in commodity prices that underlie royalties

The price of Nova's common Shares may be significantly affected by declines in commodity prices. The revenue derived by Nova from its asset portfolio will be significantly affected by changes in the market price of commodities that underlie the royalties or other investments or interests of Nova. Nova's revenue is particularly sensitive to changes in the price of metals that are the subject of the royalties, including nickel, copper, cobalt, tin, lithium, graphite, lead and zinc (the "Royalty Commodities"). Any future cash flow derived from our royalties are 100% dependent on the future price of the Royalty Commodities. The price of Royalty Commodities fluctuate daily and are affected by factors beyond the control of Nova, including levels of supply and demand, industrial development, inflation and interest rates, the U.S. dollar's strength and geo-political events and global health pandemics. External economic factors that affect commodity prices can be influenced by changes in international investment patterns, monetary systems and political developments.

COVID-19 pandemic

The impact of the current COVID-19 pandemic may significantly impact Nova. The current COVID-19 (coronavirus) global health pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices (including the Royalty Commodities) and has raised the prospect of an extended global recession. As well, as efforts are undertaken to slow the spread of the COVID-19 pandemic, the operation and development of mining projects may be impacted. To date, a number of mining projects have been suspended as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the properties in which Nova holds a royalty, stream or other interest and from which it receives or expects to receive significant revenue is suspended, it may have a material adverse impact on Nova's profitability, results of operations, financial condition and the trading price of Nova's securities. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on Nova's profitability, results of operations, financial conditions and the trading price of Nova's securities upon listing on the TSX-V. All commodities, by their nature, are subject to wide price fluctuations and future material price declines will result in a decrease in revenue and may cause a suspension or termination of production by relevant operators, which would result in a complete cessation of revenue from applicable royalties. Even if Nova worked to ensure a diversification of commodities that underlie its royalties, the commodity market trends are cyclical in nature and a general downturn in commodity prices could result in a significant decrease in overall revenue.

Nova has no control over mining operations

Nova is not directly involved in the operation of mines. The revenue Nova may derive from its portfolio of royalty assets is based entirely on production from third-party mine owners and operators. Nova is a party to copper and nickel royalty agreements produced by certain mines and operations and operations, however, Nova will not have a direct interest in the operation or ownership of those mines and projects. The owners and operators generally will have the power to determine the manner in which the properties are exploited, including decisions to expand, continue or reduce, suspend or discontinue production from a property, decisions about the marketing of products extracted from the property and decisions to advance exploration efforts and conduct development of non-producing properties. The interests of third-party owners and operators and those of Nova in respect of a relevant project or property may not always be aligned. The inability of Nova to control the operations for the properties in which it has a royalty or other interest may result in a material adverse effect on the profitability of Nova, the results of operations of Nova and its financial condition. Except in a limited set of circumstances as may be specified in a specific royalty, Nova will not receive compensation if a specific mine or operation fails to achieve or maintain production or if the specific mine or operation is closed or discontinued. In addition, a number of mining operations in respect of which Nova holds a royalty interest ("Mining Operations") are currently in exploration stage and may not commence commercial production and there can be no assurance that if such operations do commence production that they will achieve profitable and continued production levels.
In addition, the owners or operators may take action contrary to policies or objectives of Nova; be unable or unwilling to fulfill their obligations under their agreements with Nova; have difficulty obtaining or be unable to obtain the financing necessary to move projects forward; or experience financial, operational or other difficulties, including insolvency, which could limit the owner or operator's ability to perform its obligations under arrangements with Nova. Nova is also subject to the risk that a specific mine or project may be put on care and maintenance or have its operations suspended, on both a temporary or permanent basis.

The owners or operators of the projects or properties in which Nova holds a royalty interest may from time to time announce transactions, including the sale or transfer of the projects or of the operator itself, over which Nova has little or no control. If such transactions are completed it may result in a new operator controlling the project, who may or may not operate the project in a similar manner to the current operator which may positively or negatively impact Nova. If any such transaction is announced, there is no certainty that any such transaction will be completed, or completed as announced, and any consequences of such non-completion on Nova may be difficult or impossible to predict.

Nova is subject to the risk that Mining Operations may shut down on a temporary or permanent basis due to issues including but not limited to economic conditions, lack of financial capital, flooding, fire, weather related events, mechanical malfunctions, community or social related issues, social unrest, the failure to receive permits or having existing permits revoked, collapse of mining infrastructure including tailings ponds, expropriation and other risks. These issues are common in the mining industry and can occur frequently. There is a risk that the carrying values of Nova's assets may not be recoverable if the mining companies operating the Mining Operations cannot raise additional finances to continue to develop those assets. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Mining Operations becoming uneconomic resulting in their shutdown and closure. Nova is not entitled to purchase gold, other commodities, receive royalties or other economic benefit from the Mining Operations if no gold or other commodities are produced from the Mining Operations.

Limited access to data and disclosure

As a royalty holder, the Company has limited access to data on the operations or to the actual properties themselves. This could affect its ability to assess the performance of the royalty or other interest. This could result in deviations in cash flow from that which is anticipated by the Company. In addition, some royalty, stream, or non-operating interests may be subject to confidentiality arrangements which govern the disclosure of information with regard to said royalty, stream, or other production-base interest and, as such, the Company may not be in a position to publicly disclose non-public information with respect to certain royalty, stream, or non-operating interests. The limited access to data and disclosure regarding the operations of the properties in which the Company has an interest, may restrict the Company's ability to enhance its performance which may result in a material and adverse effect on the Company's profitability, results of operations, cash flows, financial condition, and trading price of Nova securities. Although when creating new royalty or stream agreements, management attempts to obtain these rights, there is no assurance that such efforts will be successful.

Variations in foreign exchange rates

Foreign exchange rates have seen significant fluctuation in recent years. A depreciation in the value of the Canadian Dollar against one or more of the currencies in which Nova receives payments under the royalties could have a material adverse effect on the profitability of Nova, its results of operations and financial condition.

Nova's revenue, expenses and financial position may be impacted by fluctuations in foreign exchange rates as payments in foreign currencies are translated into Canadian Dollars. Nova has not hedged its exposure to currency fluctuations.

The operations of Nova are subject to foreign currency fluctuations and inflationary pressures, which may have a material adverse effect on the profitability of Nova, its result of operations and financial condition. There can be no assurance that the steps taken by management to address such fluctuations will eliminate the adverse effects and Nova may suffer losses due to adverse foreign currency fluctuations.

Delay receiving or failure to receive payments

Nova is dependent to a large extent upon the financial viability and operational effectiveness of owners and operators of the relevant mines and mineral properties underlying Nova's royalties. Payments from production generally flow through the operator and there is a risk of delay and additional expense in receiving such revenues. Payments may be delayed by restrictions imposed by lenders, delays in the sale or delivery of products, the ability or willingness of smelters and refiners to process mine products, recovery by the operators of expenses incurred in the operation of the royalty properties, the establishment by the operators of reserves for such expenses or the insolvency of the operator. Nova's rights to payment under the royalties must, in most cases, be enforced by contract without the protection of the ability to liquidate a property. This inhibits Nova's ability to collect amounts owing under its royalties upon a default. Additionally, some agreements may provide limited recourse in particular circumstances which may further inhibit Nova's ability to recover or obtain equitable relief in the event of a default under such agreements. In the event of a bankruptcy of an operator or owner, it is possible that an operator may claim that Nova should be treated as an unsecured creditor and, therefore, have a limited prospect for full recovery of revenue and a possibility that a creditor or the operator may claim that the royalty agreement should be terminated in the insolvency proceeding. Failure to receive payments from the owners and operators of the relevant properties or termination of Nova's rights may result in a material and adverse effect on Nova's profitability, results of operations and financial condition.

Errors in calculations of royalty/stream payments and retroactive adjustments

The Company's royalty payments are calculated by the operators of the properties on which the Company has royalties based on the reported production. Each owner or operator's calculation of our royalty payments is subject to and dependent upon the adequacy and accuracy of its production and accounting functions, and errors may occur from time to time in the calculations made by an owner or operator. Certain royalty agreements require the operators to provide the Company with production and operating information that may, depending on the completeness and accuracy of such information, enable the Company to detect errors in the calculation of royalty payments that it receives. The Company does not, however, have the contractual right to receive production information for all of its royalty, stream, and similar production-based interests. As a result, the Company's ability to detect royalty payment errors through its royalty monitoring program and its associated internal controls and procedures is limited, and the possibility exists that the Company will need to make retroactive royalty revenue adjustments. Some of the Company's royalty contracts provide the right to audit the operational calculations and production data for the associated royalty payments; however, such audits may occur many months following the recognition of such royalty revenue and may require the Company to adjust its revenue in later periods.

Strategy for acquisitions

As Nova executes on its business plan it intends to seek to purchase additional royalties from third parties. Nova cannot offer any assurance that it can complete any acquisition or proposed business transactions on favourable terms or at all, or that any completed acquisitions or proposed transactions will benefit Nova.

At any given time, Nova may have various types of transactions and acquisition opportunities in various stages of review, including submission of indications of interest and participation in discussions or negotiations in respect of such transactions. This process also involves the engagement of consultants and advisors to assist in analyzing particular opportunities. Any such acquisition or transaction could be material to Nova and may involve the issuance of securities by Nova to fund any such acquisition. Any such issuance of securities may result in substantial dilution to existing shareholders and may result in the creation of new control positions. In addition, any such acquisition or other royalty transaction may have other transaction specific risks associated with it, including risks related to the completion of the transaction, the project operators or the jurisdictions in which assets may be acquired.

Additionally, Nova may consider opportunities to restructure its royalties where it believes such a restructuring may provide a long-term benefit to Nova, even if such restructuring may reduce near-term revenues or result in Nova incurring transaction related costs. Nova may enter into one or more acquisitions, restructurings or other royalty transactions at any time.

Construction, development, and/or expansion on underlying properties

Some projects or properties in which the Company holds a royalty, stream, or other production-base interest in are in the permitting, construction, development, and/or expansion stage and such projects are subject to numerous risks, including, but not limited to delays in obtaining equipment, materials and services essential to the construction and development of such projects in a timely manner, delays or
inability to obtain required permits, changes in environmental or other regulations, currency exchange rates, labour shortages, cost escalations and fluctuations in metal prices. There can be no assurance that the owners or operators of such projects will have the financial, technical and operational resources to complete permitting, construction, development, and/or expansion of such projects in accordance with current expectations or at all.

Project operators may not respect contractual obligations

Royalties and other interests in properties or projects are contractual in nature. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. To the extent grantors of royalties and other interests do not abide by their contractual obligations, Nova may be forced to take legal action to enforce its contractual rights. Such litigation may be time consuming and costly and there is no guarantee of success. Further, any such litigation may also be required to be pursued in foreign jurisdictions. Any pending proceedings or actions or any decisions determined adversely to Nova, may have a material and adverse effect on Nova's profitability, results of operations, financial condition and the trading price of the common shares of Nova.

Unknown defects

A defect in a royalty or the underlying contract may arise to defeat or impair the claim of Nova to such royalty. Unknown defects in a royalty may result in a material and adverse effect on Nova's profitability, results of operations, financial condition and the trading price of Nova securities.

Mineral resource and mineral reserve estimates

Mineral reserve and or mineral resource estimates for a specific mine or project may not be correct. The figures for mineral resources and mineral reserves in this MD&A are estimates only and were obtained from public disclosure in respect of the properties. There can be no assurance that estimated mineral reserves and mineral resources will ever be recovered or recovered at the rates as estimated. Mineral reserve and mineral resource estimates are based on sampling and geological interpretation, and, are uncertain because samples used may not be representative. Mineral reserve and mineral resource estimates require revision (either to demonstrate an increase or decrease) based on production from the mine or project. The fluctuations of commodity prices and production costs, as well as changes in recovery rates, may render certain mineral reserves and mineral resources uneconomic and may result in a restatement of estimated reserves and/or mineral resources.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty of inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven and probable mineral reserves as a result of continued exploration.

Litigation affecting underlying properties

Potential litigation may arise on a property on which Nova holds or has a royalty interest (for example, litigation between joint venture partners or between operators and original property owners or neighbouring property owners). As a royalty holder, Nova will not generally have any influence on the litigation and will not generally have access to data. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) could have a material and adverse effect on Nova's profitability, results of operations, financial condition and the trading price of the common shares of Nova.

Dependence on key personnel

Nova is dependent on the services of a small number of key management personnel. The ability of Nova to manage its activities and its business will depend in large part on the efforts of these individuals. There can be no assurance that Nova will be successful in engaging or retaining key personnel. The loss of the services of a member of the management of Nova could have a material adverse effect on the Company. From time to time, Nova may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. The number of persons skilled in the acquisition of royalties is limited and competition for such persons is intense. Recruiting and retaining qualified personnel is critical to the success of Nova and there can be no assurance that Nova will be successful in recruiting and retaining the personnel it needs to successfully operate its business. If Nova is not successful in attracting and retaining qualified personnel, the ability of Nova to execute on its business model and strategy could be affected, which could have a material and adverse impact on its profitability, results of operations and financial condition.

Dependence on operators' employees

Production from the properties in which Nova holds an interest depends on the efforts of operators' employees. There is competition for persons with mining expertise. The ability of the owners and operators of such properties to hire and retain geologists and persons with mining expertise is key to those operations. Further, relations with employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in the jurisdictions in which those operations are conducted. Changes in such legislation or otherwise in the relationships of the owners and operators of such properties with their employees may result in strikes, lockouts or other work stoppages, any of which could have a material adverse effect on such operations, results of operations and financial condition of Nova. If these factors cause the owners and operators of such properties to decide to cease production at one or more of the properties, such decision could have a material adverse effect on the business and financial condition of Nova.

Conflicts of interest

Certain of the directors and officers of the Company also serve as directors or officers of, or have significant shareholdings in, other companies involved in precious metals royalty and streaming business, to the extent that such other companies may engage in transactions or participate in the same ventures in which the Company participates, or in transactions or ventures in which the Company may seek to participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In all cases where directors and officers have an interest in other companies, such other companies may also compete with Nova for the acquisition of royalty, stream, or non-operating interests. Such conflicts of the directors and officers may result in a material and adverse effect on Nova's profitability, results of operations, cash flows, financial condition, and the trading price of Nova securities.

Future financing; future securities issuances

There can be no assurance that Nova will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could impede the funding obligations of Nova or result in delay or postponement of further business activities which may result in a material and adverse effect on Nova's profitability, results of operations and financial condition. Nova may require new capital to continue to grow its business and there are no assurances that capital will be available when needed, if at all. It is likely that, at least to some extent, such additional capital will be raised through the issuance of additional equity, which could result in dilution to shareholders.

Changes in tax laws impacting Nova

There can be no assurance that new tax laws, regulations, policies or interpretations will not be enacted or brought into being in the jurisdictions where Nova has interests that could have a material adverse effect on Nova. Any such change or implementation of new tax laws or regulations could adversely affect Nova's ability to conduct its business. No assurance can be given that new taxation rules or accounting policies will not be enacted or that existing rules will not be applied in a manner which could result in the profits of Nova being subject to additional taxation or which could otherwise have a material adverse effect on the profitability of Nova, Nova's results of operations, financial condition and the trading price of the common shares of Nova. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make royalties or other investments by Nova less attractive to counterparties. Such changes could adversely affect the ability of Nova to acquire new assets or make future investments.

Evolving corporate governance and public disclosure regulations

Nova is subject to changing rules and regulations promulgated by a number of United States and Canadian governmental and self-regulated organizations, including the United States Securities and Exchange Commission, the Canadian Securities Administrators, the exchanges listing Nova's securities, and the Financial Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity making compliance more difficult and uncertain. Nova's efforts to comply with these and other new and existing rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Foreign jurisdictions and political risks

Several of the Company's royalty interests relate to properties outside of Canada, including in Latin America. In addition, future investments may expose the Company to new jurisdictions. The ownership, development, and operation of these properties and the mines and projects thereupon by their owners and operators are subject to the risks normally associated with conducting business in foreign countries. These risks include, depending on the country, nationalization and expropriation, social unrest and political instability, less developed legal and regulatory systems, uncertainties in perfecting mineral titles, trade barriers, exchange controls and material changes in taxation. These risks may, among other things, limit or disrupt the ownership, development or operation of properties, mines or projects in respect of which the Company holds royalty and similar production-based interests, restrict the movement of funds, or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation. The Company applies various methods, where practicable, to identify, assess and, where possible, mitigate these risks prior to entering into stream and royalty agreements. Such methods generally include: conducting due diligence on the political, social, legal and regulatory systems and on the ownership, title and regulatory compliance of the properties subject to the royalty or stream interest; engaging experienced local counsel and other advisors in the applicable jurisdiction; negotiating where possible so that the applicable royalty or stream agreement contains appropriate protections, representations, warranties and, in each case as the Company deems necessary or appropriate in the circumstances, all applied on a risk adjusted basis. There can be no assurance, however, that the Company will be able to identify or mitigate all risks relating to holding royalty and similar production-based interests in respect of properties, mines and projects located in foreign jurisdictions, and the occurrence of any of the factors and uncertainties described above could have a material adverse effect on Nova's profitability, results of operations, cash flows, financial condition, and trading price of Nova securities.

There is sovereign risk in investing in foreign countries, including the risk that the resource concessions may be susceptible to revision or cancellation by new laws, may not be renewed as anticipated or may otherwise be adversely impacted by changes in direction by the government in question. It is possible that changes in applicable laws, regulations, or in their enforcement or regulatory interpretation could result in adverse changes to mineral or oil & natural gas operations. These are matters over which Nova has no control. There is no assurance that future political and economic conditions in such countries will not result in the adoption of different policies or attitudes respecting the development and ownership of resources. Any such changes in policy or attitudes may result in changes in laws affecting ownership of assets, land tenure and resource concessions, licensing fees, taxation, royalties, price controls, exchange rates, export controls, environmental protection, labour relations, foreign investment, nationalization, expropriation, repatriation of income and return of capital, which may affect both the ability to undertake exploration and development on, or production from, the properties in which the Company holds a royalty or other production-base interest. In certain areas where Nova holds a royalty or other production-base interest, the regulatory environment is in a state of continuing change, and new laws, regulations and requirements may be retroactive in their effect and implementation. Any changes in governmental laws, regulations, economic conditions or shifts in political attitudes or stability are beyond the control of Nova and the owners and operators of the properties in which Nova has an interest and such changes may result in a material and adverse effect on Nova's profitability, results of operations, financial condition and the trading price of Nova securities. Additionally, Nova is indirectly exposed to the risks faced by the owners and operators of the properties in which Nova holds or will hold royalty, stream or similar production-based interests in foreign jurisdictions. These include risks related to political and economic instability, under-developed legal systems, inconsistencies in the application of local laws and other legal uncertainty, terrorism, military repression, political violence, crime, corruption, infectious diseases, unsophisticated infrastructure and inaccessibility.

Global financial conditions

Global financial conditions have been characterized by ongoing volatility. Global financial conditions could suddenly and rapidly destabilize in response to future events, as government authorities may have limited resources to respond to future crises. Global capital markets have continued to display increased volatility in response to global events. Future crises may be precipitated by any number of causes, including natural disasters, pandemics, geopolitical instability, changes to energy prices or sovereign defaults.

Market events and conditions, including the disruptions in the international credit markets and other financial systems, in China, Japan and Europe, along with political instability in the Middle East and Russia and falling currency prices expressed in United States dollars have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global credit markets, excluding the United States, resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, less price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers and other financial institutions caused the broader credit markets to be volatile and interest rates to remain at historical lows.

These events are illustrative of the effect that events beyond the Company's control may have on commodity prices, demand for metals, including gold, silver, copper, lead and zinc, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by sovereign debt concerns in Europe and emerging markets, as well as concerns over global growth rates and conditions.

Any sudden or rapid destabilization of global economic conditions could negatively impact Nova's ability, or the ability of the operators of the properties in which Nova holds royalties or other interests, to obtain equity or debt financing or make other suitable arrangements to finance their projects.

These factors may impact the ability of Nova to obtain both debt and equity financing in the future and, if obtained, on terms favourable to Nova. Increased levels of volatility and market turmoil can adversely impact the operations of Nova and the value and the price of the common shares of the Company could be adversely affected.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation. The forward-looking statements herein are made as of the date of this MD&A 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 information in this MD&A includes, but is not limited to, statements with respect to future events or future performance of Nova, 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 of Nova, management's expectations regarding Nova's growth, results of operations, estimated future revenues, carrying value of assets, future dividends, and requirements for additional capital, production estimates, production costs and revenue, future demand for and prices of commodities, expected mining sequences, business prospects and opportunities, other statements regarding the impact of the COVID-19 pandemic and measures taken to reduce the spread of COVID-19 on the Company's operations and overall business, statements regarding the temporary duration of the COVID-19 pandemic. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. A number of factors could cause actual events or results to differ materially from any forward-looking statements, including, without limitation: fluctuations in the prices of the primary commodities that drive royalty agreements; fluctuations in the value of the U.S. dollar and any other currency in which revenue may be generated, relative to the Canadian dollar; changes in national and local government legislation, including permitting and licensing regimes and taxation policies and the enforcement thereof; regulatory, political or economic developments in any of the countries where properties in which the Company holds a royalty interest are located or through which they are held, measures taken by the Company, governments or partner operators in response to the COVID-19 pandemic or otherwise that, individually or in the aggregate, materially affect the Company's ability to operate its business, risks related to the operators of the properties in which the Company holds a royalty interest, including changes in the ownership and control of such operators; influence of macroeconomic developments; business opportunities that become available to, or are pursued by the Company; reduced access to debt and equity capital; litigation; title, permit or license disputes related to interests on any of the properties in which the Company holds a royalty interest; whether or not the Company is determined to have "passive foreign investment company" ("PFIC") status as defined in Section 1297 of the United States Internal Revenue Code of 1986, as amended; the ability to maintain adequate controls as required by law; potential changes in Canadian tax treatment of offshore revenues (if any); excessive cost escalation as well as development, permitting, infrastructure, operating or technical difficulties on any of the properties in which the Company holds a royalty interest; the possibility that actual mineral content may differ from the reserves and resources contained in technical reports; rate and timing of production differences from resource estimates, other technical reports and mine plans; risks and hazards associated with the business of development and mining on any of the properties in which the Company holds a royalty interest, including, but not limited to unusual or unexpected geological and metallurgical conditions, slope failures or cave-ins, flooding and other natural disasters, terrorism, civil unrest or an outbreak of contagious diseases including COVID-19; the integration of acquired assets; as well as other factors identified and as described in more detail under the heading "Risk Factors" in this MD&A.

The forward-looking statements contained in this MD&A are based on reasonable assumptions that have been made by management as at the date of such information and is subject to unknown risks, uncertainties and other factors that may cause the actual actions, events or results to be materially different from those expressed or implied by such forward-looking information, including, without limitation: the impact of general business and economic conditions; the ongoing operation of the properties in which the Company holds a royalty interest by the owners or operators of such properties in a manner consistent with past practice; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; no material adverse change in the market price of the commodities that underlie the asset portfolio; the Company's ongoing income and assets relating to determination of its PFIC status; no material changes to existing tax treatment; no adverse development in respect of any significant property in which the Company holds a royalty interest; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; the world-wide economic and social impact of COVID-19 is managed and the duration and extent of the coronavirus pandemic is minimized or not long-term; disruptions related to the COVID-19 pandemic or other health and safety issues, or the responses of governments, communities, partner operators, the Company and others to such pandemic or other issues; integration of acquired assets; actual results of mining and current exploration activities; conclusions of economic evaluations and changes in project parameters as plans continue to be refined; problems inherent to the marketability of precious metals; stock market volatility; competition; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended.

Although Nova has attempted to identify important factors that could cause actual actions, events or results to differ materially from those contained in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Investors are cautioned that forward-looking statements are not guarantees of future performance. The Company cannot assure investors that actual results will be consistent with these forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements or information.

This MD&A contains future-orientated information and financial outlook information (collectively, "FOFI") about the Company's revenues from royalty interests, other projects which are subject to the same assumptions, risk factors, limitations and qualifications set forth in the above paragraphs. FOFI contained in this MD&A was made as of the date of this MD&A and was provided for the purpose of providing further information about the Company's anticipated business operations. Nova disclaims any intention or obligation to update or revise any FOFI contained in this MD&A, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. FOFI contained in this MD&A should not be used for the purposes other than for which it is disclosed herein.