



## NOVA TO FURTHER INCREASE ROYALTY INTEREST ON HUBBAY'S COPPER WORLD COMPLEX

FOR IMMEDIATE RELEASE

July 5, 2023

TSXV: NOVR  
OTCQB: NOVRF

*(All dollar amounts are in United States Dollars unless otherwise indicated)*

**Vancouver, British Columbia: Nova Royalty Corp.** (“**Nova**” or the “**Company**”) (TSXV: NOVR) (OTCQB: NOVRF) is pleased to announce that it has entered into an agreement (the “**Agreement**”) with an arm’s length private party (the “**Seller**”) pursuant to which Nova will acquire an additional 0.03% net smelter return (“**NSR**”) royalty (the “**Additional Royalty**”) on the Copper World Complex project (“**Copper World**”) located in Arizona, USA, owned by Hudbay Minerals Inc. (“**Hudbay**”) (TSX: HBM) (NYSE: HBM), (the “**Transaction**”). Upon completion of the Transaction, Nova’s consolidated royalty position will be a 0.315% NSR and Nova will retain a right of first refusal in respect of an additional 0.360% NSR (the “**ROFR**”).

### **Transaction Details**

The Additional Royalty has the same characteristics as the 0.285% NSR royalty on Copper World already owned by Nova and covers all metals, including copper, molybdenum, silver, and gold extracted from the majority of mining claims covering Copper World. The aggregate purchase price for the Transaction is \$1,400,000 and will be paid as follows:

- \$340,000 in cash, payable upon closing of the Transaction;
- \$170,000 in common shares of Nova (the “**Consideration Shares**”), payable upon closing;
- \$150,000 in cash, payable 12 months after closing of the Transaction; and
- \$740,000 in cash, payable at the later of: (i) 12 months following the announcement of the commencement of production from the royalty area; and (ii) the receipt by Nova of the first three payments under the Additional Royalty.

The number of Consideration Shares to be issued in connection with the Transaction will be based on the 20-day volume weighted average trading price on the TSX Venture Exchange (“**TSXV**”) of Nova’s common shares up until and including the effective date of the Agreement. Nova anticipates paying for the initial cash portion of the purchase price from existing cash on hand. The Transaction is subject to the acceptance of the TSXV.

### **About Copper World** <sup>(1,2)</sup>

The Copper World Complex is a large-scale, premier copper development project located in Arizona, one of the United States’ most strategic copper districts. Copper World is owned by Hudbay, an established operator with a proven track record of success. Hudbay’s 2022 preliminary economic assessment of Copper World contemplates a two-phased operation, with a Phase I standalone operation on private land and patented mining claims expected to span 16-years with average annual copper production of approximately 86,000 tonnes, followed by an expanded Phase II mine life of 44 years on federal lands. Copper World is expected to be one of the next major copper operations in the United States, delivering the copper needed to meet domestic electrification and decarbonization supply chain needs. Hudbay expects to make a potential project sanction decision in 2024, with a three-year build timeline.

For further details about the Copper World project and the NSR royalty, please refer to Nova's news release disseminated on May 23, 2023.

### **About Nova**

Nova Royalty Corp. is a copper and nickel-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 Mining, 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) "Hashim Ahmed"  
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*Neither the TSX Venture Exchange nor its Regulation Service 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 Hudbay's NI 43-101 Technical Report entitled "Preliminary Economic Assessment Copper World Complex, Pima County, Arizona USA" prepared by Olivier Tavchandjian P.Geol, Vice-President, Exploration and Technical Services, Hudbay, effective as of May 1, 2022 and filed on SEDAR on July 14, 2022.
- (2) Refer to Hudbay's Presentation titled "[Copper World Complex 2022 PEA Presentation](#)". dated June 16, 2022.

### **Technical and Third-Party Information**

Except where otherwise stated, the disclosure in this press release relating to Copper World are based on information publicly disclosed by the current or former owners or operators of the respective properties and information/data available in the public domain as at the date hereof and none of this information has been independently verified by nova. Nova has limited, if any, access to the properties on which Nova holds a royalty, stream or other interest. The Company may from time to time receive operating information from the owners and operators of the mining properties, which it is not permitted to disclose to the public. Nova is dependent on (i) the operators of the mining properties and their qualified persons to provide information to Nova, or (ii) publicly available information to prepare disclosure pertaining to properties and operations on the properties on which Nova holds royalty or other interests, 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 reported public information in respect of a mining property may relate to a larger property area than the area covered by Nova's royalty or other interest. Nova's royalty or other interests may cover less than 100% of a specific mining property and sometimes may only apply to a portion of the publicly reported mineral reserves, mineral resources and or production from a mining 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 Standards of Disclosure for Mineral Projects ("**NI 43-101**").

Canadian standards for public disclosure of scientific and technical information concerning mineral projects differ significantly from the requirements of the U.S. Securities and Exchange Commission under subpart 1300 of Regulation S-K (the “**SEC Modernization Rules**”). Nova is not currently subject to the SEC Modernization Rules. 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 Modernization Rules.

“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 NI 43-101.

### **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 information in this press release includes, but is not limited to: exploration and expansion potential, production, recoveries and other anticipated or possible future developments on the Copper World project, including, without limitation, Hudbay’s decision on exploration, development and production activities and the implementation, results and timing thereof; Hudbay’s intended objectives with respect to the Copper World project; current commodity prices; the payment frequency of the Additional Royalty; current and potential future estimates of mineral reserves and resources; future commercial production from the Copper World project or other designated areas; the attainment of any required regulatory approval for the Transaction; closing of the Transaction; and the exercise of the ROFR. 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: the risk that the exploration, development, production, recoveries and other anticipated or possible future developments on the Copper World project, including, without limitation, a decision on exploration, development and production activities will not occur or be as anticipated and that Hudbay will not achieve its intended objectives with respect to the Copper World project; that the required regulatory approvals for the Transaction are not obtained; that the Transaction will not close; that the ROFR will not be exercised; that the payment frequency of the Royalty and the future commercial production from the Copper World project or other designated areas will not be as anticipated; that the current and potential future estimates of mineral reserves and resources will not be accurate; and the risk factors set out under the heading “Risk Factors” in the Company’s annual information form dated March 23, 2023 available for review on the Company’s profile at [www.sedar.com](http://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.*