



**NOVA ROYALTY REPORTS FINANCIAL RESULTS FOR THE
THREE MONTHS AND YEAR ENDED DEC 31, 2022 AND PROVIDES ASSET UPDATE**

FOR IMMEDIATE RELEASE

**TSXV: NOVR
OTCQB: NOVRF**

March 23, 2023

Vancouver, British Columbia: Nova Royalty Corp. (“Nova” or the “Company”) has reported its financial results for the fourth quarter and year ended December 31, 2022. Nova's financial statements and management's discussion and analysis for the three months and year ended December 31, 2022 are available on Nova's website at www.novaroyalty.com and on SEDAR at www.sedar.com.

Full year 2022 and early 2023 highlights:

- **Revenue:** for the year ended December 31, 2022, Nova recognized revenue of \$2.0 million from its royalty interests, primarily related to Aranzazu reaching record production in multiple quarters.
- **Acquired exposure to two advanced, Tier-1 copper projects:** In 2022, Nova acquired a royalty on Hudbay Minerals' Copper World Complex and secured the right to acquire a net profit interest royalty on Lundin Mining's Josemaria project. Nova subsequently increased its royalty interest in Copper World in March 2023.
- **Achieved critical mass among advanced, Tier-1 copper assets:** Nova now has exposure to 5 of the top 10 open pit copper development projects in the Americas by mineral reserves; three of those projects: Taca Taca (First Quantum), Lundin Mining (Josemaria), and Copper World (Hudbay Minerals) are expecting construction decisions by their operators in 2024-2025.
- **Continued progress of portfolio assets:** Key development assets on which Nova holds royalties showed strong advancement toward construction decisions in 2022 with First Quantum, Lundin and Hudbay making significant engineering and permitting progress at Taca Taca, Josemaria, and Copper World, respectively. In February 2023, Los Andes Copper announced the results of a maiden pre-feasibility study (“PFS”) and mineral reserve for the Vizcachitas project, showing an initial mine life of 26 years, average annual production of 183,017 tonnes of copper for the first 8 years, an IRR of 24%, and a post-tax NPV of \$2.8 billion.
- **Bolstered Board and Management:** Announced the addition of Douglas Silver to Nova's Board of Directors and the appointment of Hashim Ahmed as Nova's CFO in February 2023; Mr. Ahmed's transition into the CFO role is expected to be effective at the start of the second quarter of 2023.

Alex Tsukernik, President & CEO of Nova, commented, “Nova is off to an excellent start in 2023. We have a full pipeline of acquisition opportunities, our core assets are showing strong progress toward production, and we have enhanced our team for the next stage of the Company's growth. I look forward to updating the market on our progress.”

Asset update

Aranzazu

Aura Minerals Inc. (“**Aura**”) disclosed that Aranzazu sold 13.8 million lbs copper equivalent (“**CuEq**”) at cash costs of US\$1.47/lb CuEq during Q4 2022. CuEq sales were 14% higher than in Q4 2021 and 9% higher than in Q3 2022. For the year ended December 31, 2022, Aura reported that Aranzazu sold 52.3 million lbs CuEq at cash costs of US\$1.51/lb CuEq. CuEq sales were 16% higher than for the year ended December 31, 2021, reflecting a full year of operations at expanded throughput capacity⁽¹⁾.

Nova recognized \$0.5 million in revenue during the fourth quarter of 2022, compared to \$0.5 million in the comparative quarter in 2021, attributable to the Aranzazu royalty. For the full year ended December 31, 2022, Nova recognized \$2.0 million in revenue, compared to \$0.7 million in 2021, with the increase primarily related to an increase in revenue from a full year of the Aranzazu NSR.

Aura reported that it expects to produce between 101,000 – 116,000 gold equivalent ounces (“**GEO**”) at Aranzazu during 2023. Aranzazu produced 111,531 GEO during the year ended December 31, 2022. Additionally, Aura reported that it is advancing several promising targets near existing mine workings to expand the life of mine at Aranzazu, including at the Glory Hole Zone, El Cobre, Limestone Bridge and Cabrestante. Aura expects to continue infill drilling and additional geological work at these target areas in 2023⁽¹⁾.

Aura last reported proven and probable mineral reserves at Aranzazu of 6.4 million tonnes at 1.38% copper, 0.97 g/t gold and 18.82 g/t silver⁽²⁾.

Taca Taca

First Quantum Minerals Ltd. (“**First Quantum**”) continued to conduct pre-development and feasibility activities at Taca Taca during Q4 2022. During the second quarter of 2021, First Quantum submitted two environmental permits regarding key infrastructure at Taca Taca. The primary Environmental and Social Impact Assessment (“**ESIA**”) for Taca Taca was submitted to the Secretariat of Mining of Salta Province in 2019 and approval of the ESIA is anticipated in 2023. Water supply studies and pump tests to support the application for a water permit advanced steadily in 2022 and are expected to be completed in early 2023. In November 2022, the Salta Production Minister signed Resolution 191/2022, approving the environmental pre-feasibility for the Taca Taca 345 kilovolt power line development. The power line development still requires detailed construction permits, but the main environmental aspects of its development have been approved⁽³⁾.

As of December 31, 2022, First Quantum last reported proven and 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⁽⁴⁾.

Copper World Complex

Hudbay Minerals Inc. (“**Hudbay**”) reported that, on September 21, 2022, an application for an Aquifer Protection Permit was submitted to the Arizona Department of Environmental Quality (“**ADEQ**”), and on October 21, 2022, an application for an Air Quality Permit was submitted to the ADEQ. Hudbay reported that it expects to receive these two remaining state permits in 2023. Copper World requires state and local permits for Phase I. Hudbay reported that the other key state permit, the Mined Land Reclamation Plan, was received in 2022⁽⁵⁾. In January 2023, Hudbay received an approved right-of-way from the State Land Department that will allow for infrastructure such as roads, pipelines, and powerlines to connect between properties in Hudbay’s private land package at Copper World⁽⁶⁾.

Hudbay reported that it is continuing to advance pre-feasibility activities for Phase I of the Copper World Complex, which is expected to include conversion of inferred mineral resources to measured and indicated, optimization of the layout and sequencing of the processing facilities, and the evaluation of other upside opportunities. Pre-feasibility level engineering for the main processing facility, as well as geotechnical and

hydrogeological site investigation activities were completed by December 31, 2022. Metallurgical test work continued into 2023, the results of which are being analyzed as part of Hudbay's concentrate leaching tradeoff evaluations. Hudbay expects to release a pre-feasibility study ("**PFS**") in the second quarter of 2023⁽⁶⁾.

Upon receipt of state permits, Hudbay reported that it expects to conduct a bulk sampling program to continue to de-risk the Copper World Complex by testing grade continuity, variable cut-off effectiveness, and metallurgical strategies. Hudbay also reported that, following receipt of the state permits, Hudbay intends to initiate a minority joint venture partner process, which will allow the potential joint venture partner to participate in definitive feasibility study activities in 2024⁽⁶⁾.

Josemaria

Lundin Mining Corporation ("**Lundin Mining**") reported that the Josemaria project team is working with national and provincial authorities in Argentina to progress the project through the next stages of development and associated approvals. Lundin Mining also reported that it is advancing work towards a baseline capital cost estimate and project execution schedule. Plant engineering, including procurement of long-lead equipment, is ongoing, and was 38% complete as of December 31, 2022. Early works continue onsite, including the preparation of platforms for the camp, commissioning of additional fuel storage, and expansion of the existing camp. Pre-construction early works including internal access roads and the completion of phase 1 of a new camp were also advanced during 2022. Lundin Mining reported that it submitted the environmental impact assessment for a new power line, while permitting works and agreements regarding power supply, concentrate logistics, infrastructure funding and a project construction union agreement continue to progress⁽⁷⁾.

Lundin Mining reported that it spent US\$237.4 million at Josemaria during 2022 and intends to spend approximately US\$400 million at Josemaria during 2023. Additionally, Lundin Mining reported that approximately 30,600 meters of drilling has been completed at Josemaria since a 2020 Mineral Resource and Mineral Reserve Estimate was published by Josemaria Resources, the results of which will be incorporated into a new estimate to be published by Lundin Mining⁽⁷⁾.

As of December 31, 2022, Lundin Mining last reported proven and probable mineral reserves at Josemaria of 1,012 million tonnes at 0.30% copper, 0.22 g/t gold, and 0.94 g/t silver⁽⁸⁾.

Vizcachitas

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

On February 23, 2023, LAC announced the results of a positive PFS and a maiden reserve estimate at Vizcachitas. The PFS contemplates conventional open pit mining, crushing, grinding and flotation to produce a copper-silver concentrate and molybdenum concentrate product. Over an initial 26-year mine life, average annual production is forecast to be 152,883 tonnes of copper at C1 cash costs of US\$1.25/lb Cu, with average annual production of 183,017 tonnes of copper at C1 cash costs of US\$0.93/lb Cu over the first 8 years. The PFS contemplates an after tax US\$2.8 billion NPV_{8%} and IRR of 24%⁽¹⁰⁾.

On February 23, 2023, LAC also announced an initial proven and probable mineral reserves for Vizcachitas of 1,220 million tonnes at 0.36% copper, 136 ppm molybdenum and 1.1 g/t silver. LAC also reported measured & indicated resources at Vizcachitas of 1,541 million tonnes at 0.38% copper, 155 ppm molybdenum, and 1.1 g/t silver⁽¹⁰⁾.

Financial summary

For Q4 2022, the Company recorded a net loss of \$1.9 million or \$0.02 per share, compared to a net loss of \$5.2 million or \$0.06 per share for Q4 2021. The reduced net loss relative to the fourth quarter of 2021 was largely attributable to a lower general and administrative (“G&A”) expense, lower share-based payments expense, and a \$2.7 million impairment on the Twin Metals royalty, which was incurred in Q4 2021.

For the year ended December 31, 2022, the Company recorded a net loss of \$7.9 million or \$0.09 per share, compared to a net loss of \$9.4 million or \$0.12 per share for the year ended December 31, 2021. The reduced net loss relative to the year ended December 31, 2021 was largely attributable to higher royalty revenue recognized from the Aranzazu NSR that offset higher depletion and G&A expenses, and due to the Twin Metals royalty impairment recorded in 2021. Net cash used in operating activities for the year ended December 31, 2022 was \$2.1 million.

Fourth quarter and full year 2022 conference call and webcast:

Nova will hold a conference call and webcast with management for investors and analysts on March 24, 2023 at 11:00 am ET. Analysts and investors are invited to participate using the following dial-in numbers or webcast link:

Participant Number (Local): 416-764-8609
Participant Number (Toll-Free): 888-390-0605
Conference ID: 24673979
Audience URL: <https://app.webinar.net/WdqZo2GE5MO>

A replay of the conference call will be available until 11:59 pm (ET) April 7, 2023, and can be accessed using the following dial-in numbers.

Encore (Local): 416-764-8677
Encore (Toll-Free): 1-888-390-0541
Encore ID: 673979#

About Nova

Nova Royalty Corp. is a copper-focused royalty company. Nova has assembled a portfolio of royalties on a significant proportion of the next generation of major copper projects located in 1st-tier jurisdictions, providing investors exposure to some of the most critical resource assets for the clean energy transition. These projects are being advanced by the world’s premier mining companies, which include First Quantum, Lundin 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) “Alex Tsukernik”
President and Chief Executive Officer

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

Notes:

- (1) Refer to Aura Minerals' Management's Discussion and Analysis for the three and twelve months ended December 31, 2022.
- (2) Refer to Aura Minerals' Annual Information Form for the year ended December 31, 2021.
- (3) Refer to First Quantum Minerals Management's Discussion and Analysis for the fourth quarter and year ended December 31, 2022.
- (4) Refer to First Quantum Minerals' NI 43-101 Technical Report Titled "Taca Taca Project, Salta, Argentina" prepared by David Gray (QP) BSc(Geology), MAusIMM, FAIG, Group Mine and Resource Geologist, FQM (Australia) Ltd, filed November 30, 2020, amended and restated March 30, 2021.
- (5) Refer to Hudbay's Management's Discussion and Analysis for the three and nine months ended September 30, 2022.
- (6) Refer to Hudbay's Management's Discussion and Analysis for the year ended December 31, 2022.
- (7) Refer to Lundin Mining's Management's Discussion and Analysis for the year ended December 31, 2022.
- (8) Refer to Lundin Mining's press release titled "Lundin Mining to Acquire Josemaria Resources, Meaningfully Increasing Copper and Gold Growth Profile" published by Lundin Mining on December 20, 2021.
- (9) Refer to the press release titled "Los Andes Copper Project Update" published by Los Andes Copper Ltd. on September 29, 2022.
- (10) Refer to the press release titled "Los Andes Copper Announces Positive PFS for Vizcachitas with a US\$2.77 Billion Post-Tax NPV and 24% IRR". Published by Los Andes Copper Ltd. on February 23, 2023.

Technical and Third-Party Information

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 statements and information include, but are not limited to, statements with respect to future events or future performance of Nova; the existence of future business opportunities; the expected production at Aranzazu in 2023; the advancement of several promising targets near existing mine workings to expand the life of mine at Aranzazu; continuation of infill drilling and additional geological work at target areas in 2023; ESIA approval for Taca Taca and the expected timing thereof; completion of water supply studies and pump tests by First Quantum and expected timing thereof; obtaining of construction permits for the power development line at Taca Taca; obtaining state and local permits for Copper World and expected timing thereof; the continued advancement of pre-feasibility activities for Phase I of the Copper World Complex and timing thereof; the release of a pre-feasibility study for Phase I of the Copper World, conducting a bulk sampling program, minority joint venture partner process expected timing thereof; Lundin Mining’s activities and the total expected spend for Josemaria; LAC’s plan to resume drilling and expected timing thereof; the expected production at Vizcachitas; other potential developments relating to, or achievements by the counterparties for Nova’s stream and royalty agreements, and with respect to mines or other properties Nova has, or may acquire, a stream or royalty interest; estimates of future productions, costs and other financial or economic measures; disclosure regarding any payments to be paid to Nova by property owners or operators of mining projects pursuant to net smelter returns and other royalty agreements; and future expectations regarding royalties and streams of Nova.

Such forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Nova to control or predict, that may cause Nova’s actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including, but not limited to, risks associated with the impact of general business and economic conditions; the absence of control over mining operations from which Nova will purchase precious metals or from which it will receive stream or royalty payments and risks related to those mining operations, including risks related to international operations, government and environmental regulation, delays in mine development, construction and operations, actual results of mining and current exploration activities, conclusions of economic evaluations and changes in project parameters as plans are refined; problems related to the ability to market precious metals or other metals; industry conditions, including commodity price fluctuations, interest and exchange rate fluctuations; interpretation by government entities of tax laws or the implementation of new tax laws; regulatory, political or economic developments in any of the countries where properties in which Nova holds a royalty, stream or other interest are located or through which they are held; risks related to the operators of the properties in which Nova holds a royalty or stream or other interest, including changes in the ownership and control of such operators; risks related to global pandemics, including the novel coronavirus (COVID-19) global health pandemic, and the spread of other viruses or pathogens; influence of macroeconomic developments; business opportunities that become available to, or are pursued by Nova; reduced access to debt and equity capital; litigation; title, permit or license disputes related to interests on any of the properties in which Nova holds a royalty, stream or other interest; the volatility of the stock market; competition; future sales or issuances of debt or equity securities; use of proceeds; dividend policy and future

payment of dividends; liquidity; market for securities; enforcement of civil judgments; and the risk factors set out under the heading "Risk Factors" in the Company's annual information form dated April 29, 2022 and other filings available for review on the Company's profile at www.sedar.com. Such forward-looking information represents management's best judgment based on information currently available. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.