



NOVA ROYALTY CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MARCH 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 May 26, 2021, should be read in conjunction with the Company's condensed interim financial statements for the three months ended March 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 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 we hold 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 significant monetary and fiscal interventions designed to stabilize economic conditions. There are significant uncertainties with respect to future developments and impact to the Company related to the COVID-19 pandemic, including 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, such as the duration and impact on future production for our partner operators at their respective mining operations.

COMPANY HIGHLIGHTS

During the three months ended March 31, 2021 and subsequently, the Company:

- increased the number of royalties held by the Company to 18 through the following notable transactions:
 - acquired a further 0.18% NSR royalty on Taca Taca copper-gold-molybdenum project in Salta Province of Argentina ("Taca Taca"), bringing the aggregate Nova position to a 0.42% NSR; and
 - acquired a 0.98% NSR royalty on the Vizcachitas copper-molybdenum project in Chile;
- applied to list its common shares on the OTCQB and began trading on under the symbol "NOVRF" on January 18, 2021;
- converted all outstanding balance related to the initial advance into common shares under the terms of the facility and drew down an additional \$5,000,000 with a conversion of \$5.67, based on a 20% premium above the 30-day VWAP of Nova's common shares on the TSX-V. Concurrently, the Company entered into an amended and restated convertible loan agreement, which increased the original remaining facility of \$4,500,000 by \$15,500,000 for total capital of \$20,000,000 available to the Company;
- filed a supplement to its final short form base shelf prospectus (the "Base Shelf Prospectus") with the securities regulatory authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick and Nova Scotia enabling the Company to make offerings up to \$150,000,000 in common shares, warrants, subscription receipts, share purchase contracts, units and debt securities or a combination thereof of the Company from time to time;

- established an at-the-market ("ATM") equity program to distribute up to \$25,000,000 of common shares of the Company (the "Offered Shares") under the ATM equity program. The Offered Shares will be issued by the Company to the public from time to time, through the agents, at the Company's discretion. Since inception to the date of this MD&A, the Company has distributed 375,200 Offered Shares under the ATM Program at an average price of \$4.04 per share for gross proceeds of \$1,515,694, with aggregate commissions paid or payable to the agents of \$37,892, resulting in aggregate net proceeds of \$1,477,801; and
- appointed Mr. Brian Ferrey as VP Corporate Development of the Company.

SUMMARY OF ROYALTY INTERESTS

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

Property	Asset Owner(s)	Location	Metals	Terms⁽¹⁾
Taca Taca	First Quantum (100%)	Argentina	Cu-Au-Mo	0.42%
NuevaUnión	Newmont (50%)/Teck Resources (50%)	Chile	Cu-Au	2.0% Cu
Dumont	Waterton Global Resources Investments (100%)	Canada	Ni-Co	2.0%
Vizcachitas	Los Andes Copper (100%)	Chile	Cu-Mo	0.98%
Twin Metals	Antofagasta plc (100%)	USA	Cu-Ni-PGM	2.4% Cu-Ni

⁽¹⁾ NSR applicable on all metals, unless otherwise stated

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"). 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 on 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 for the project, which covers the principal proposed project sites, was submitted to the Secretariat of Mining of Salta Province in 2019.

As of March 31, 2021, First Quantum 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% molybdenum¹.

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") and Newmont Corporation. 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 a completion of a Feasibility Study in Q1 2020. The project team is currently engaged in review of study results and assessment of optimization opportunities, which is expected to continue in 2021.

As of March 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.

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

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

² Source: Dumont Feasibility Study Technical Report NI 43-101 dated July 11, 2019.

resources of 372 million tonnes grading 0.28% nickel and 112 ppm cobalt and indicated resources of 1.293 billion tonnes grading 0.26% nickel² and 106 ppm cobalt.

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 (TSX-V: LA). The project is located in an area with strong infrastructure and is within 100 kilometers of three major operating mines, Los Pelambres owned by Antofagasta (LON: ANTO), Andina, owned by Codelco and Los Bronces, owned by Anglo American (LON: AAL). 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 currently undergoing a permitting process for an expanded drilling program, the results of which will be used to complete a Pre-Feasibility Study, targeted by Los Andes for Q1 2022.

As of March 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.

Twin Metals Project

Nova owns a 2.4% NSR³ on a portion of the Twin Metals copper-nickel-platinum group metals project, owned by Antofagasta through its subsidiary, Twin Metals Minnesota ("TMM").

On June 30, 2020, TMM announced that it has received the U.S. Bureau of Land Management ("US BLM") Notice of Intent to scope and prepare an Environmental Impact Statement ("EIS") for its proposed copper-nickel-cobalt-platinum group metals mine in northeast Minnesota.

The US BLM Notice of Intent formally initiates the scoping and environmental review process at the federal level under the National Environmental Policy Act, which will allow for a thorough analysis of the potential impacts and benefits of Twin Metals' proposed project. Multiple federal agencies and tribal governments will be engaged in the process, and the public will have several opportunities to participate through comment periods. A parallel environmental review process will be led by the Minnesota Department of Natural Resources.

In December 2019, TMM presented its Mine Plan of Operations ("MPO"), a prerequisite for permitting applications, to the US BLM and a Scoping Environmental Assessment Worksheet Data Submittal was also issued to the Minnesota Department of Natural Resources. The proposed underground mine plan set out a 25-year mine life with an approximate total tonnage of 180 million tonnes of mined and processed ore. These submissions start a multi-year scoping and environmental review process that will thoroughly evaluate the proposed project. The review process will include additional baseline data collection, impact analyses, and multiple opportunities for public input.

As of March 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.⁴

Wollaston Copper Belt Exploration Royalties

Janice Lake Project

Nova owns a 1.0% NSR on the Janice Lake copper-silver project in Saskatchewan, being advanced by Rio Tinto Exploration Canada Inc., who is currently in the process of earning up to 80% of the project by spending up to \$30 million in a joint venture with Forum Energy Metals ("Forum Energy"). The NSR is subject to a buyback of 0.375% for C\$750,000. The Janice Lake project is a 52-kilometer long district with multiple discovered zones of copper-silver mineralization. Copper-silver mineralization currently extends for approximately 8 kilometer in outcrop and in drill holes along strike of the Janice Lake basin.

³ 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.

⁴ Source: Antofagasta plc 2020 Annual Report.

Rio Tinto's 2019 drilling uncovered two main zones of mineralization:

- Janssem target
 - 52m interval grading 0.57% copper and 1.5 g/t silver (starting at 116 metres depth), including 5 metres at 1.32% copper and 3.42 g/t silver
 - Currently known zone of mineralization: 650m strike, 200 metres depth, thicknesses between 45 and 60 metres
- Janice target
 - 22m of 0.37% copper and 2.82 g/t silver starting at 185 metres
 - Currently known zone of mineralization: 1.2km strike, 400 metres depth, thicknesses up to 57 metres

On June 23, 2020, Rio Tinto began its 2020 season exploration at Janice Lake that included (a) construction of a 50-person camp on the property at Burbidge Lake and (b) systematic prospecting and mapping of the entire 52-kilometer extent of the property in 2-kilometer wide spacings.

On April 14, 2021, Forum Energy Metals announced that Rio Tinto had completed its winter drilling program. The first set of assay results are expected in May. Nine holes for a total of 2,330 metres were drilled on the Rafuse target, a 2.8-kilometer long priority target of surface copper mineralization that was developed during Rio Tinto's mapping, prospecting and geophysical program in summer 2020.

Due to winter in northern Saskatchewan having a late start and an early spring, the drill program was cut short. The two drills were left at the 80-person camp in preparation for a potential resumption of the drill program in June. The scope of the drill program and the planned geological, geophysical and geochemical surface exploration program will be finalized once assay results are received.

Wollaston Copper Project

Nova also owns a 1.0% royalty on the Wollaston Copper project, located approximately 40 kilometers away from Janice Lake. Wollaston is currently undergoing early pre-drilling work by its owner, Transition Metals Corp.

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 C\$750,000

CORPORATE UPDATES

During the three months ended March 31, 2021, Mr. Brian Ferrey was appointed as VP Corporate Development 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 March 31, 2021, the Company had a cash and working capital of \$2,638,872 and \$482,828 (December 31, 2020 - \$5,400,687 and \$1,793,227), respectively. Cash increased due to cash provided by financing activities of \$11,774,419 (2020 - \$5,607,354), offset with cash used in operating and investing activities of \$1,213,870 (2020 - \$51,420) and \$13,323,227 (2020 - \$3,040,809), respectively. Cash provided by financing activities primarily related to the issuance of common shares and Special Warrants and 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 March 31, 2021 and the date of this MD&A there is \$20,000,000 available to the Company remaining on the loan facility, which accrues a standby charge of 1.5% per annum.

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 conducted in-house 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.

Operating activities

Cash used in operating activities was \$1,213,870 (2020 - \$51,420) for the three months ended March 31, 2021 and represents expenditures primarily on general and administrative expenses for both periods.

Investing activities

Cash used in investing activities for the three months ended March 31, 2021 was \$13,323,227 compared to \$3,040,809 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 three months ended March 31, 2021 was \$11,774,419 (2020 - \$5,607,354) which consisted of \$7,119,753 (2020 - \$5,846,586) from issuance of common shares from financings and exercise of stock options and share purchase warrants, less \$41,018 (2020 - \$239,232) in share issuance costs. The Company received \$4,703,939 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 three months ended March 31, 2021.

	March 31	December 31	September 30	June 30
For the three months ended	2021	2020	2020	2020
General and administrative expenses ⁽¹⁾	\$ 640,683	\$ 1,184,881	\$ 421,152	\$ 267,249
Share-based payments	295,434	101,835	588,595	153,594
Net loss for the period	1,149,893	1,371,875	1,036,271	472,590
Loss per share - basic and diluted	0.02	0.03	0.04	0.02

	March 31	December 31	September 30	June 30
For the three months ended	2020	2019	2019	2019
General and administrative expenses ⁽¹⁾	\$ 150,166	\$ 243,353	\$ 136,329	\$ 83,694
Share-based payments	517,325	105,590	105,461	152,333
Net loss for the period	540,253	312,295	276,249	235,978
Loss per share - basic and diluted	0.02	0.01	0.01	0.01

⁽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.

THREE MONTHS ENDED MARCH 31, 2021 FINANCIAL RESULTS

For three months ended March 31, 2021, the Company incurred a net loss of \$1,149,893 (2020 - \$540,253). The loss for the quarter was comprised of \$640,683 (2020 - \$150,166) of general and administration expenditures, along with share-based payments of \$295,434 (2020 - \$517,325), and interest expense on convertible debenture of \$159,535 (2020 - \$Nil), partially offset by deferred income tax recovery of \$19,371 (2020 - \$Nil). Some items to note include the following:

- The Company paid or accrued \$370,123 (2020 - \$77,157) in compensation to management and consultants. The increase over the comparative period was related to an increase in the Company's activities, such as ongoing review and management of royalty interests, and director and management fees \$79,360 (2020 - \$Nil).
- Professional fees of \$124,437 (2020 - \$53,793) were included in general and administrative costs. The increase is directly related to legal and auditor fees incurred as a result of the Company's listing applications on the OTCQB and establishment of the at-the-market equity program.

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:

Three months ended March 31, 2021	Salary or fees	Share-based payments	Total
Management	\$ 38,610	\$ 72,233	\$ 110,843
Directors	40,750	123,614	164,364
	\$ 79,360	\$ 195,847	\$ 275,207

During the three months ended March 31, 2021, the Company paid or accrued \$345,127 (2020 - \$61,750) to DLA Piper (Canada) LLP ("DLA Piper"), a law firm in which a director is a partner of. The aggregate amount has been allocated as follows: \$63,512 (2020 - \$ 15,438) for professional fees, \$124,015 (2020 - \$46,312) for debt and equity financing costs, and \$157,600 (2020 - \$Nil) for royalty interest acquisition costs.

Also, during the three months ended March 31, 2021, the Company paid or accrued \$45,000 (2020 - \$17,143) 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 March 31, 2021, included in accounts payable and accrued liabilities is \$3,750 (December 31, 2020 - \$382,227) to key management personnel for fees and reimbursable expenses, \$90,000 (December 31, 2020 - \$45,000) to Seabord, and \$5,470 to DLA Piper (December 31, 2020 - \$53,000). In addition, as at March 31, 2021, the Company has a commitment to issue 57,144 (December 31, 2020 - 57,144) common shares, valued at \$28,572 (December 31, 2020 - \$28,572), to Seabord for services rendered.

COMMITMENTS

As at March 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\$9,500,000 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, 2020 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 March 31, 2021, the Company:

- a) issued 177,200 common shares in the ATM equity program for gross proceeds of \$690,798 and with aggregate share issuance costs paid and/or accrued of \$17,270;
- b) issued 40,291 common shares as finder's fees on the Vizcachitas acquisition; and
- c) issued 300,000 common shares on the exercise of 300,000 stock options for gross proceeds of \$75,000.

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 75,776,874 common shares issued and outstanding. There are also 2,312,500 stock options with an expiry dates ranging from March 1, 2024 to March 1, 2026, 56,865 warrants outstanding with an expiry date of February 19, 2022, and 1,804,998 RSUs with vesting dates ranging to February 26, 2024.

ACCOUNTING PRONOUNCEMENTS

Accounting standards adopted during the period

Please refer to the Company's unaudited condensed interim financial statements for the three months ended March 31, 2021 on SEDAR at www.sedar.com.

Accounting pronouncements not yet effective

Please refer to the Company's unaudited condensed interim financial statements for the three months ended March 31, 2021 on SEDAR at www.sedar.com.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the unaudited condensed interim 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, 2020.

RISK AND CAPITAL MANAGEMENT: FINANCIAL INSTRUMENTS

Please refer to the Company's unaudited condensed interim financial statements for the three months ended March 31, 2021 on SEDAR at www.sedar.com.

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.

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.

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.