

Nova Royalty to Acquire a Royalty on Antofagasta's Twin Metals Project in Minnesota and Commences US OTC Quotation Process

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VANCOUVER, Nov. 11, 2020 - [Nova Royalty Corp.](#) ("Nova" or the "Company") is pleased to announce that it has entered into a royalty purchase agreement (the "Purchase Agreement") with a subsidiary of Boart Longyear TM (ASX: BLY) ("the Seller"), to acquire (the "Transaction") an existing 2.4% net smelter return royalty¹ (the "Royalty") on a portion of the Twin Metals copper-nickel-platinum group metals project located in Minnesota (the "TMM Project") owned by Antofagasta PLC (LSE: ANTO) ("Antofagasta") for up to \$6 million in cash and common shares of the Company ("Nova Shares") .

The royalty area covers approximately 18% of the combined resources in the Maturi and Maturi Southwest deposits that comprise 100% of the mine plan that is set out in the prefeasibility study dated October 6, 2014 and titled "Twin Metals Minnesota Project, Ely Minnesota, USA", prepared for Duluth Metals Corp. in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects (the "Technical Report").

The TMM Project is a copper, nickel, and platinum group metals project located in the Duluth Complex mining camp in north-eastern Minnesota.

Alex Tsukernik, Nova's President and CEO, commented, "The Duluth Complex is one of the world's great metal districts and accounts for 34% of all copper reserves and 95% of all nickel reserves in the United States. The transition to electric energy from fossil fuels has become a coordinated objective of the global community. Twin Metals, with over 25 billion pounds of contained copper and 9 billion pounds of contained nickel, is a natural strategic source of these unique, necessary building blocks of clean energy for North America. Antofagasta, the owner of Twin Metals, is one of the world's great mining companies, and we are excited to watch the project's progress. Twin Metals is our first royalty acquisition in United States, and we have also initiated the process to list Nova's shares on the US OTCQB market to enable US investors to directly invest, through Nova, into the most strategic deposits of the new energy supply chain".

TRANSACTION STRUCTURE

Nova has agreed to acquire the Royalty for an upfront payment of \$2,000,000 which includes \$1,800,000 in cash (the "Cash Consideration") and the issuance of 161,572 Nova Shares priced on the five (5) trading day volume weighted average price ("VWAP") of Nova Shares on the TSX Venture Exchange. Nova has also agreed to make additional future payments of up to \$4 million in cash and Nova Shares (described below) contingent on milestones being achieved.

- Upon the issuance of all major federal and state permits required to construct a mine on the TMM Project - \$1,000,000 in cash and \$1,000,000 in Nova Shares (to be based on a twenty (20) day VWAP of the Shares to be determined as of the date prior to issuance); and
- Upon the commencement of commercial production of minerals from the TMM Project - \$1,000,000 in cash and \$1,000,000 in Nova Shares (to be based on a twenty (20) day VWAP of the Shares to be determined as of the date prior to issuance).

The Transaction is subject to customary closing conditions, the acceptance of the TSX Venture Exchange and is expected to close by the end of November 2020.

ROYALTY MAP

TWIN METALS MINNESOTA PROJECT

The Technical Report discloses a 30-year mine plan, based on 527 million tonnes of proven and probable reserves with aggregate forecast production of approximately 5.8 billion pounds of copper, 1.2 billion pounds of nickel, 4 million ounces of palladium, 1.5 million ounces of platinum, 1 million ounces of gold, and 25 million ounces of silver. Total resources for the Maturi and Maturi Southwest deposits of the project that were the subject of the mine plan, were reported at approximately 1.8 billion tonnes. The table of reserves and resources is shown further below.

In December 2019, Twin Metals Minnesota, a subsidiary of Antofagasta, presented its Mine Plan of Operations (MPO), a prerequisite for permitting applications, to the US Bureau of Land Management 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.

TWIN METALS RESERVES AND RESOURCES

Maturi – Reserves (100% basis)

Category	Tonnes (millions)	Copper Grade (%)	Contained Copper (bn lbs)	Nickel Grade (%)	Contained Nickel (bn lbs)
Proven	130	0.65	1.7	0.21	0.5
Probable	354	0.59	4.2	0.19	1.3
Proven + Probable	484	0.60	5.8	0.19	1.9

Maturi Southwest – Reserves (100% basis)

Category	Tonnes (millions)	Copper Grade (%)	Contained Copper (bn lbs)	Nickel Grade (%)	Contained Nickel (bn lbs)
Proven	-	-	-	-	-
Probable	43	0.48	0.4	0.17	0.1
Proven + Probable	43	0.48	0.4	0.17	0.1

Maturi – Resources (100% basis)

Category	Tonnes (millions)	Copper Grade (%)	Contained Copper (bn lbs)	Nickel Grade (%)	Contained Nickel (bn lbs)
Measured	308	0.63	3.9	0.20	1.2
Indicated	822	0.58	9.5	0.19	3.0
Inferred	531	0.49	5.2	0.16	1.7

Maturi Southwest – Resources (100% basis)

Category	Tonnes (millions)	Copper Grade (%)	Contained Copper (bn lbs)	Nickel Grade (%)	Contained Nickel (bn lbs)
Measured	-	-	-	-	-
Indicated	103	0.48	1.0	0.17	0.3
Inferred	32	0.43	0.3	0.15	0.1

OTC APPLICATION

Nova is also pleased to announce that it has applied to list its common shares on the OTCQB Venture Market ("OTCQB"), a United States-based trading platform operated by the OTC Markets Group. The OTCQB is the premier marketplace for early stage and developing companies which intend to provide a high-quality trading and information experience for US investors. Investors can find real-time quote and market information for OTCQB-listed companies at www.otcm Markets.com. The Company believes that listing on the OTCQB, which is subject to receipt of regulatory approvals, will provide additional liquidity to its shareholders and also increase corporate visibility within the United States. Nova continues to trade on the TSX Venture Exchange under the ticker symbol "NOVR".

QUALIFIED PERSON

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

ABOUT NOVA

Nova is a royalty company focused on providing investors with exposure to the key building blocks of clean energy; copper and nickel. The Company is headquartered in Vancouver, British Columbia and is listed on the TSX Venture Exchange under the trading symbol "NOVR".

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 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.

The securities described in this press release have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent such registration or an available exemption therefrom.

Notes

1. The total royalty payable is $\frac{1}{2}$ 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: $4.8\% * \frac{1}{2} * \frac{1}{3} * \text{ore mined} * \text{grade mined} * \text{applicable prices of copper and nickel}$. The royalty is calculated on the basis of contained metal in ore by multiplying ore mined by the grade of the material $\&\#8211$; and does not subtract the usual deductions due to recoveries, payabilities, TC/RCS, and other applicable operating costs. The $\frac{1}{3}$ multiplier in the royalty calculation formula is the mechanism by which those usual costs are captured. In the Technical Report, copper reserves are calculated using recoveries of 94.0% and payabilities of 76.4% and nickel reserves are calculated using recoveries of 60.8% and payabilities of 70.8%.

Technical and Third-Party Information

Except where otherwise stated, the disclosure in this press release relating to the TMM Project is based on information publicly disclosed by the owners or operators of this property and information/data available in the public domain as at the date hereof and none of this information has been independently verified by Nova. Specifically, as a royalty holder, Nova has limited, if any, access to the property subject to the Royalty. Although Nova does not have any knowledge that such information may not be accurate, there can be no assurance that such third party information is complete or accurate. Some information publicly reported by the operator may relate to a larger property than the area covered by Nova's royalty interest. Nova's royalty interests often cover less than 100% and sometimes only a portion of the publicly reported mineral reserves, mineral resources and production of a property.

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, the acceptance of the Purchase Agreement by the TSX Venture Exchange; completion of the acquisition of the Royalty and closing of the Transaction; issuance of permits required to construct a mine on the TMM Project; commencement of commercial production of minerals from the TMM Project; that Nova's shares may become quoted on the OTCQB and the potential benefits thereof; and management's expectations regarding Nova's growth. 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, Nova may not obtain the approvals necessary for its shares to be quoted on the OTCQB; an OTCQB quotation may not result in the benefits anticipated by management; and the risk factors set out under the heading "Risk Factors" in the Company's final non-offering long form prospectus dated August 14, 2020 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.

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Unless otherwise specified, all references to dollars (\$) set forth herein shall mean United States dollars.

SOURCE [Nova Royalty Corp.](http://www.novaroyalty.com)

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