



## NOVA ROYALTY TO ACQUIRE A PORTFOLIO OF NINE ROYALTIES, INCLUDING AN EXISTING 1.0% ROYALTY ON RIO TINTO AND FORUM ENERGY'S JANICE LAKE COPPER-SILVER PROJECT IN SASKATCHEWAN

**FOR IMMEDIATE RELEASE**  
**September 8, 2020**

**Vancouver, British Columbia: Nova Royalty Corp.** (“**Nova**” or the “**Company**”) is pleased to announce that it has entered into a royalty purchase agreement (the “**Purchase Agreement**”) with Transition Metals Corp. (“**TMC**”) pursuant to which Nova will acquire a portfolio of nine (9) royalties (the “**Transaction**”). The portfolio includes an existing 1.0% Net Smelter Return (“**NSR**”) royalty on the Janice Lake copper-silver project in Saskatchewan being advanced by Rio Tinto Exploration Canada Inc. (“**Rio Tinto**”), a 1.0% NSR royalty on the Wollaston project, a 1.25% NSR royalty on the Dundonald nickel project, and six other highly prospective royalties on exploration properties in some of Canada’s most mineralized districts.

Alex Tsukernik, Nova’s President and CEO, commented, “*Scott McLean and his team have built an outstanding portfolio of properties in Canada. We are pleased to acquire this royalty portfolio and welcome Transition as a shareholder of Nova. Janice Lake is one of the most exciting emerging copper exploration projects in Canada, and we are keen to follow Rio Tinto’s progress as it systematically explores the Wollaston Copper Belt. It is a natural fit for Nova’s focus on royalties on district-scale copper and nickel projects. We look forward to continuing to grow the company with this focus and listing on the TSX Venture Exchange in Fall 2020.*”

Nova will retain a right of first refusal on the sale of any of TMC’s retained NSR royalty interests on the Janice Lake, Dundonald, West Matachewan and the Elephant Head projects. Nova’s 1.0% Janice Lake NSR is subject to a right of the royalty payor to buy back 0.375% of the royalty for C\$750,000 prior to commercial production.

### **TRANSACTION STRUCTURE**

Nova has agreed to acquire the royalties for C\$1,072,500 in cash (the “**Cash Consideration**”) and the issuance of 525,000 common shares of Nova. Nova has also agreed to make additional contingent payments to TMC upon achievement of the following milestones in respect of the Janice Lake project:

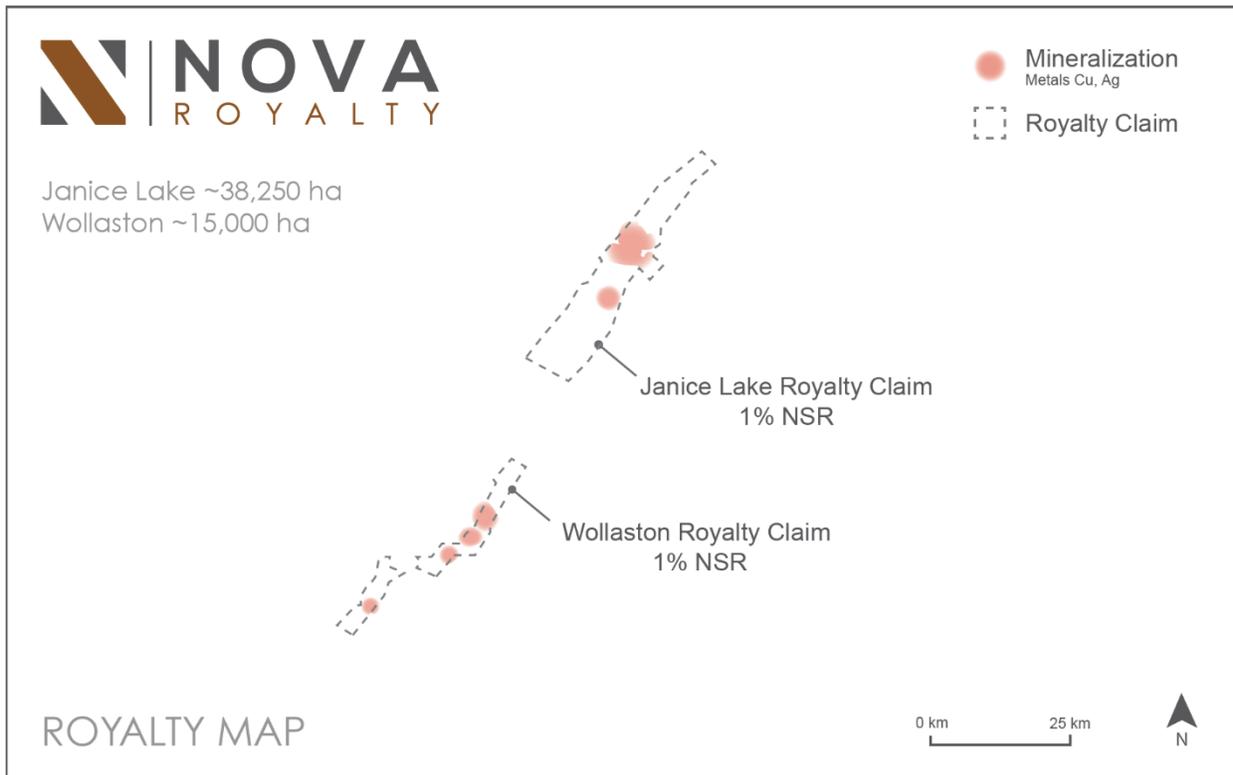
- C\$1,000,000 in cash upon the completion of a bankable feasibility study or the commencement of commercial production on the Janice Lake property; and
- C\$1,000,000 in common shares if the projected annual production of the Janice Lake property is at least 30,000 tonnes of contained copper for a minimum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

The Transaction is subject to customary closing conditions and the acceptance of the TSX Venture Exchange.

## JANICE LAKE/WOLLASTON COPPER PROJECTS

Janice Lake is a sedimentary copper-silver project, located 55 km southeast of Key Lake and comprises 38,250 hectares, encompassing the entire 52 km Wollaston Copperbelt District, totaling over 380 sq. km. with over 20 known copper occurrences on the property. Copper-silver mineralization currently extends for approximately 8 km in outcrop and in drill holes along strike of the Janice Lake basin. Rio Tinto optioned the project in May 2019, and can earn an 80% interest in the Janice Lake Project by spending C\$30 million in addition to making separate option payments to Forum Energy Metals (“Forum”) and TMC. Forum conducted a prior drilling program in 2018 consisting of 4 holes along a 6 km mineralized trend. Each hole returned mineralization, including an intersection of 50.5m at 0.45% Cu and 3.5 g/t Ag.

Fig 1. Location of Janice Lake and Wollaston Copper Projects, Saskatchewan



### 2019 Rio Tinto Drilling Program

According to Forum’s news release dated May 12, 2020, Rio Tinto spent \$3.7 million on its 2019 drilling program at the Janice Lake Project, meeting its 18-month commitment 10 months ahead of schedule. The program included 21 drill holes totaling 5,209 metres. Drilling targeted the Jansem target (nine holes), the Janice target (nine holes), and the Kaz target (three holes), with drilling at Jansem and Janice returning copper mineralization at strong grades and continuity over significant thickness, starting from surface. The Jansem and Janice zones are open in all directions with additional follow-up drilling planned by Rio Tinto for 2020-2021.

2019 Drill program highlights from Janice Lake included:

- **Jansem 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

### **2020-21 Rio Tinto Drilling Program**

On June 23, 2020, Rio Tinto began its 2020 season exploration at Janice Lake. That included:

- Construction of a 50-person camp on the property at Burbidge Lake
- Systematic prospecting and mapping of the entire 52 km extent of the property in 2 km wide spacings

On September 1, 2020, Forum announced that Rio Tinto has commenced rotary air blast drilling (“**RAB**”) to investigate historical and newly mapped regional copper showings, as well as recently developed geophysical targets buried by overburden.

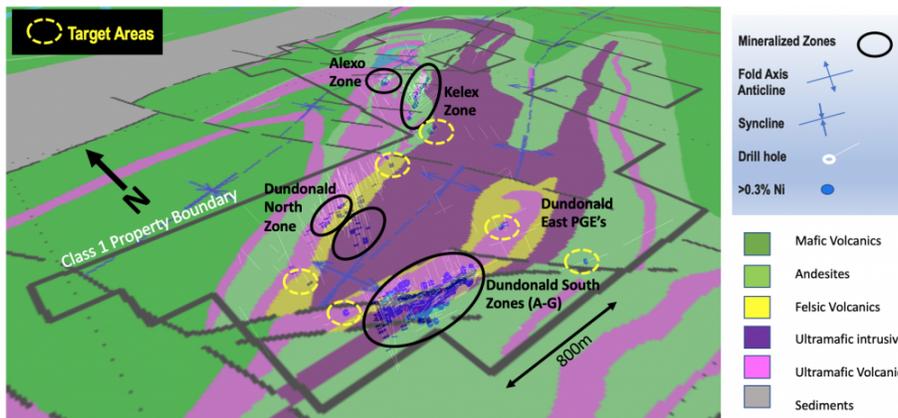
It is expected that the targets will determine the extent of the copper-silver mineralization over the 52 km length of the Janice Lake property. Forum anticipates that the RAB drilling will help develop a diamond drill program scheduled for next year.

### **WOLLASTON COPPER PROJECT**

As part of the Transaction, Nova will purchase a newly created 1.0% NSR royalty on the Wollaston Copper Project, 100% owned by TMC. Wollaston features over 150 sq. km. of mining claims covering favorable copper bearing stratigraphy, located ~40 km along strike southwest from Janice Lake. According to a TMC corporate presentation, only one of the known showings has been drilled, intersecting 0.24% copper over 10.82m and 0.49% copper over 7.4 meters within 40 meters of surface. The 1.0% NSR royalty on Wollaston does not have a buyback provision.

### **DUNDONALD NICKEL PROJECT**

Nova is acquiring a 1.25% NSR royalty on the Dundonald nickel project, located approximately 45 km northeast of Timmins, Ontario. The project is adjacent to the past producing Alexo nickel mine. Alexo and Dundonald have now been combined under the ownership of Class 1 Nickel (CSE: NICO). On August 31, 2020, Class 1 Nickel announced that it is in the process of updating a CIM-compliant resource at Dundonald South. The map below, provided by Class 1 Nickel, shows the Dundonald property locations within the greater Alexo-Dundonald property package.



## ADDITIONAL EXPLORATION ROYALTY ACQUISITIONS

Nova will also acquire the following royalties as a part of the acquisition:

Project Name	Project Operator	Project Location	Commodity	NSR Royalty
Bancroft	TMC	Ontario	Ni-Cu-PGMs	1.0%
Maude Lake	TMC	Ontario	Ni-Cu-PGMs	1.0%
Saturday Night	TMC	Ontario	Ni-Cu-PGMs	1.0%
Homathko	TMC	British Columbia	Gold	1.0%
Elephant Head	Canadian Gold Miner	Ontario	Gold	1% NSR royalty with 0.5% buyback for C\$0.75 million
West Matachewan	Laurion/Canadian Gold Miner	Ontario	Gold	1% NSR royalty with 0.5% buyback for C\$0.75 million

### 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 copper and nickel exposure, key metals in the world's energy transition from fossil fuels to electricity. The Company is headquartered in Vancouver, British Columbia and has obtained conditional approval to list its common shares on the TSX Venture Exchange.

### ON BEHALF OF NOVA ROYALTY CORP.,

(signed) "Alex Tsukernik"

President and Chief Executive Officer

Phone: (604) 696-4241

Email: [info@novaroyalty.com](mailto:info@novaroyalty.com)

Website: [www.novaroyalty.com](http://www.novaroyalty.com)

*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.*

### **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 Royalties and closing of the Purchase Agreement; completion of a bankable feasibility study on the Janice Lake Project; future commercial production from the mineral properties, including projected annual copper production from the Janice Lake Project; 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, 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](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.*