**GOLD ROYALTY CORP.**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR EBDED DECEMBER 31, 2023, THE THREE MONTHS ENDED DECEMBER 31, 2022,
AND THE YEARS ENDED SEPTEMBER 30, 2022, AND 2021

March 27, 2024

**Gold Royalty Corp.**

Management's Discussion and Analysis
For the year ended December 31, 2023

## General

Management's discussion and analysis in this Item 5 are intended to provide the reader with a review of the factors that affected our performance during the periods presented, including matters that have affected reported operations, and matters that are reasonably likely based on management's assessment to have a material impact on future operations and results.

This management's discussion and analysis ("**MD&A**") of the financial condition and results of operations of Gold Royalty Corp., for the year ended December 31, 2023, should be read in conjunction with our audited consolidated financial statements and the notes thereto for the year ended December 31, 2023.

Our financial statements for the year ended December 31, 2023, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS**"). This MD&A refers to various Non-IFRS measures. Non-IFRS measures do not have standardized meanings under IFRS. Accordingly, non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. To facilitate a better understanding of these measures as we have calculated herein, additional information has been provided in this MD&A. See "*Non-IFRS Measures*" in this section for detailed descriptions and reconciliations.

Unless otherwise stated, all information contained in this MD&A is as of March 27, 2024. Unless otherwise stated, references herein to "**$**" or "dollars" are to United States dollars and references to "**C$**" are to Canadian dollars. Reference in this MD&A to the "**Company**", "**Gold Royalty**", "we", "us" and "our" mean Gold Royalty Corp., together with its subsidiaries unless the context otherwise requires.

## Business Overview

Gold Royalty is a precious metals focused royalty company offering creative financing solutions to the metals and mining industry. Our diversified portfolio includes over 240 royalties across properties of various stages, including 5 royalties on producing projects.

Our head office and principal address is located at 1830 – 1188 West Georgia Street Vancouver, BC, V6E 4A2, Canada. Our common shares (the "**GRC Shares**") are listed on the NYSE American under the symbol "GROY".

## Business Strategy

Since inception, our stated strategy has been to acquire royalties, streams and similar interests at varying stages of the mine life cycle to build a balanced portfolio offering near, medium and longer-term returns for its investors.

In carrying out our long-term growth strategy, we seek and continually review opportunities to expand our portfolio through the acquisition of existing or newly created royalty, stream or similar interests and through accretive acquisitions of companies that hold such assets. In acquiring newly created interests, we act as a source of financing to mining companies for the development and exploration of projects.

Our "royalty generator model" is focused on mineral properties held by us and our subsidiaries and additional properties we may acquire from time to time, with the aim of subsequently optioning or selling them to third-party mining companies in transactions where we would retain a royalty, carried interest or other similar interest. We believe the royalty generator model provides increased volume of potential royalty opportunities, targeting opportunities with potential exploration upside.

We generally do not conduct development or mining operations on the properties in which we hold interests, and we are not required to contribute capital costs for these properties. We may, from time to time, conduct non-material exploration related activities to advance our royalty generator model.

**Change of Fiscal Year End**

In December 2022, we announced a change of our fiscal year end from September 30 to December 31. As a result, we filed a transition report on Form 20-F for the transition period of October 1, 2022 to December 31, 2022 (the "**transition period**"). This Annual Report presents information for our fiscal year ended December 31, 2023, and includes the presentation of the Transition Period and the fiscal year ended September 30, 2022. Additionally, for ease of comparison, we have included in this Annual Report comparative financial information for the year ended December 31, 2022, which has been derived as follows:

| **(in thousands of dollars)** | Year ended September 30, 2022 ($) | Plus: Three months ended December 31, 2022 (transition period) ($) | Less: Three months ended December 31, 2021 ($) | Year ended December 31, 2022 ($) |
|---|---|---|---|---|
| Revenue | 3,944 | 582 | 533 | 3,993 |
| Operating loss | (21,454) | (3,680) | (7,574) | (17,560) |
| Net loss | (17,346) | (2,204) | (6,841) | (12,709) |
| *Non-IFRS and Other Measures* | | | | |
| Total Revenue, Land Agreement Proceeds and Interest* | 5,724 | 1,131 | 1,018 | 5,837 |
| Adjusted Net Loss* | (11,485) | (2,824) | (3,055) | (11,254) |

**Fiscal 2023 Highlights**

The following table sets forth selected financial information for the three and full year ended December 31, 2023:

| | **For three months ended** | | **For the year ended** | |
|---|---|---|---|---|
| **(in thousands of dollars, except per share and GEO amounts)** | December 31, 2023 ($) | December 31, 2022 ($) | December 31, 2023 ($) | December 31, 2022 ($) |
| Revenue | 1,016 | 582 | 3,048 | 3,993 |
| Net loss | (19,360) | (2,204) | (26,756) | (12,709) |
| Net loss per share, basic and diluted | (0.13) | (0.02) | (0.18) | (0.10) |
| Operating cash flows before movements in working capital | (995) | (2,315) | (5,049) | (9,604) |
| *Non-IFRS and Other Measures* | | | | |
| Total Revenue, Land Agreement Proceeds and Interest* | 1,319 | 1,131 | 5,216 | 5,837 |
| Cash Operating Expenses* | (2,017) | (2,940) | (8,004) | (12,580) |
| Adjusted Net Earnings/(Loss)*[(1)] | 935 | (2,824) | (3,965) | (11,254) |
| Adjusted Net Earnings/(Loss) Per Share, basic and diluted* | 0.01 | (0.02) | (0.03) | (0.08) |
| Total Gold Equivalent Ounces ("**GEOs**")* | 667 | 653 | 2,703 | 3,204 |
| *Statement of Financial Position* | | | | |
| Total assets | 690,994 | 682,410 | 690,994 | 682,410 |
| Total non-current liabilities | 166,053 | 144,782 | 166,053 | 144,782 |

(1) Adjusted Net Earnings for the year and quarter ended December 31, 2023 includes $2.3 million deferred tax recovery that was recognized as a result of convertible debt financing. An offsetting deferred tax expense of $2.3 million has been recognized directly in equity. See Note 11 of our audited annual consolidated financial statements for the year ended December 31, 2023 for further information.

** See "Non-IFRS Measures".*

***Summary of Highlights***

- Revenue was $3.0 million and Total Revenue, Land Agreement Proceeds and Interest* was $5.2 million (2,703 GEOs) for 2023, which was slightly below guidance primarily due to the continued deferral of production at Canadian Malartic into 2024. Cash Operating Expenses of $8.0 million were 36% lower than the prior year and within the guidance range on a total and recurring basis.
- Net loss per share for the fourth quarter ended December 31, 2023 was $0.13 per share, which included a non-cash impairment charge taken on select non-core assets. Adjusted Net Earnings Per Share for the fourth quarter ended December 31, 2023 were $0.01 per share compared to an Adjusted Net Loss Per Share of $0.02 per share in the fourth quarter of 2022.
- All of the Company's core assets have demonstrated considerable progress in 2023 contributing to what we believe is industry-leading revenue growth through the end of this decade. Côté is expected to commence production imminently; Odyssey continues to ramp up and we will benefit from a full year of revenue in 2024 from our most recent acquisitions, Borborema and Cozamin.

See " – *Selected 2023 Developments*" and " – *Selected Asset Updates*" for further information.

**Selected 2023 Developments**

The following is a summary of selected recent developments announced by the operators of the properties underlying certain of our royalties and corporate updates. Please see Item 4 of the Annual Report for additional information regarding our interests.

***Acquisition of portfolio of 21 royalties from SOQUEM***

On December 21, 2023, we completed the acquisition of a portfolio of 21 royalties located in Québec from SOQUEM (Société Québécoise d'exploration minière), a subsidiary of Investissement Québec, for C$1 million in GRC Shares. Pursuant to the transaction, we acquired the royalty portfolio for consideration C$1.0 million, which was satisfied through the issuance of 496,785 GRC Shares to SOQUEM at a price of approximately $1.50 per share.

***Investment in Aura's Borborema Project and Convertible Debenture Financing***

On December 19, 2023, we completed an investment transaction to provide a subsidiary of Aura Minerals Inc. ("**Aura**") an aggregate of $31.0 million in project financing to develop Borborema, a gold project in Rio Grande do Norte State, Brazil. Pursuant to the transaction, we acquired a 2.0% NSR royalty on Borborema for cash consideration of $21.0 million and provided additional project financing to a subsidiary of Aura as lender under a royalty-convertible gold-linked loan in the amount of $10.0 million.

In connection with the transaction, on December 15, 2023, we completed a distribution on a private placement basis (the "**Private Placement**") of $40 million aggregate principal amount of unsecured convertible Debentures, issued to Queen's Road Capital Investment Ltd. ("**QRC**") and Taurus Mining Royalty Fund L.P.. The Debentures are unsecured and bear interest at 10% per annum over a 5-year term, of which 70% (equal to 7% per annum) is payable in cash and 30% (equal to 3% per annum) is payable in GRC Shares issuable at a price equal to the 20-day volume-weighted average trading price calculated at each interest payment date. The Debentures are convertible at the holder's option into GRC Shares at a conversion price of $1.90, which was equal to a 30% premium to the 20-day volume-weighted average trading price of our common shares at the date the transaction was announced. We are entitled to redeem the Debentures at par within a period of fourteen days from the third anniversary of the date of the issuance of the Debentures. Should we exercise our right to redeem the Debentures during this period, the holders are entitled to convert all of the outstanding Debentures into GRC Shares at a conversion price of $1.75, equal to a 20% premium to the 20-day volume weighted-average price of our common shares at the date the transaction was announced.

***Acquisition of Cozamin Royalty***

On August 30, 2023, we completed the indirect acquisition of a 1.0% NSR royalty from Endeavour Silver Corp. and its subsidiary ("**Endeavour**") on portions of Cozamin, a producing mine operated by Capstone Copper Corp. ("**Capstone**"), for total cash consideration of $7.5 million. Pursuant to the acquisition, we received revenues of $0.2 million from royalty payments attributable to periods after June 1, 2023, the date of the definitive purchase agreement. In addition, we received the option to acquire a 1% NSR royalty on five additional concessions if such royalties are granted to Endeavour in the future. Pursuant to such option, we may acquire such additional royalties, subject to existing rights of first refusal, in exchange for $0.3 million, in the case of the Mise concession and $0.05 million in the case of each other concession. Such option consideration may be satisfied, at our option, through the issuance of GRC Shares. On closing of the acquisition, we received a $0.2 million royalty payment after entering into the agreement to acquire the royalty interest on Cozamin and collected at closing from the seller.

***Suspension of dividend program***

As announced on July 31, 2023, we suspended future dividends under our dividend program in connection with the completion of the royalty acquisition on Cozamin to focus capital on executing our strategic priority of growing cash flow and net asset value per share through accretive acquisitions.

***Amendments to Credit Facility***

On February 10, 2023, we entered into an amended and restated credit agreement with the Bank of Montreal and the National Bank of Canada to expand our existing secured revolving credit facility by $10 million to $35 million (the "**Credit** Facility"). The expanded facility consisted of a $20 million Credit Facility, with an accordion feature providing for an additional $15 million of availability (the "**Accordion**"), as further described below. The Credit Facility, secured against our assets, is available for general corporate purposes, acquisitions and investments, and bears interest at a rate determined by reference to the U.S. dollar Base Rate plus margin of 3.00% or Adjusted Term Secured Overnight Financing Rate ("**SOFR**") plus a margin of 4.00%, as applicable. On August 30, 2023, we entered into a first amending agreement, pursuant to which the Credit Facility was expanded by $5 million to $25 million leaving additional availability of $10 million in the Accordion, and $7.5 million was drawn from the Credit Facility in connection with the payment of the purchase price for the royalty acquisition on Cozamin. On December 15, 2023, we entered into a second amending agreement in connection with the Private Placement and issuance of the Debentures in order to complete the investment transaction with Aura, and applied $7.5 million of the net proceeds from the Private Placement towards the outstanding obligations under the Credit Facility, resulting in total drawn balance of $10.3 million as at December 31, 2023.

On March 1, 2024, the Credit Facility was amended to further extend the maturity date from March 31, 2025 to March 31, 2027. The exercise of the Accordion is subject to certain additional conditions and the satisfaction of financial covenants.

**Selected Asset Updates**

The following is a summary of selected recent developments announced by the operators of the properties underlying certain of our royalties. Please see Item 4 of the Annual Report on Form 20-F for the year ended December 31, 2023 (the "**Annual Report**") for additional information regarding our interests.

***Canadian Malartic Property and Canadian Malartic Complex***

We hold four royalties on portions of the Canadian Malartic Complex, including a 3.0% NSR royalty on portions of the Canadian Malartic mine and Odyssey mine in Québec, Canada. This royalty currently applies to a portion of the open pit areas (the eastern end of the Barnat Extension) where a majority of production to date has occurred. The royalty also applies to portions of the Odyssey, Internal Zones, East Malartic, Sladen and Sheehan zones, and all of the Jeffrey zone within the Canadian Malartic Complex. The Canadian Malartic Complex is owned and operated by Agnico Eagle Mines Limited ("**Agnico Eagle**").

We also hold royalties on the wider Canadian Malartic Property, including 2.0% NSR royalties on the Charlie Zone and the eastern portion of the Gouldie zone, a 1.5% NSR royalty on the Midway Project (1.0% NSR can be bought back for $1.0 million) and a 15% NPI royalty on the Radium Property.

On June 20, 2023, Agnico Eagle issued a news release that provided an update on the Canadian Malartic Complex including the details of an updated internal study. Highlights of the updated study disclosed by Agnico Eagle include:

- Significant conversion of mineral resources and mine life extension to 2042.
- Improved production profile and opportunities to add production in years 2025 to 2028. Recent positive drill results in the Odyssey internal zones indicate the potential to further increase production during the 2023 to 2028 transition period.
- Project significantly de-risked, including 60% of surface construction completed in 2.5 years. The project construction and mine development remains largely on schedule.
- Opportunity to further enhance value. Agnico Eagle expects to have excess mill capacity at the Canadian Malartic Complex starting in 2028 as processing of open pit ore and low-grade stockpiles transitions to the higher-grade Odyssey mine. This additional mill capacity provides optionality for organic growth at Odyssey, property-wide exploration upside and from the development of other projects in Agnico Eagle's regional pipeline.
- The Odyssey zone began production in March 2023 from Odyssey South and is expected to ramp up in 2024. Agnico Eagle's internal study completed in 2023 incorporates a larger mineral resource for Odyssey compared to the internal study completed in 2020 , increasing the estimated total payable ounces over the life of mine by 23%. Agnico Eagle highlights the excellent near-term exploration upside in the lateral extensions of the Odyssey internal zones, with encouraging drill results showcasing the potential to add additional ounces to the 2023-2028 transition period. The Odyssey North deposit is expected to start in 2028. The East Malartic deposit is expected to be brought into the mine plan in 2030.
- Regional exploration program is targeting the Midway Project. Agnico Eagle refers to previous production and technical work at Midway as indicative of near-term exploration opportunities to make new discoveries around the historical Malartic Goldfield Mine. Importantly, any new discovery would be within close range of the Canadian Malartic Complex processing facilities.

On July 26, 2023, Agnico Eagle announced their second quarter financial and operating results including an update on the Odyssey Project. Agnico Eagle reiterated the highlights of the updated study and outlined that surface construction was approximately 60% complete as at June 30, 2023. Agnico Eagle further stated that the extraction of the first stope at Odyssey South in the second quarter of 2023 has shown positive reconciliation with respect to tonnes and gold grade, reflecting the potential contribution from internal zones. Agnico Eagle continues to drill to better identify the internal zones that have the potential to improve the production profile at Odyssey South. The production levels below level 36 have been redesigned to capture the potential mining recovery of these zones.

On October 25, 2023, Agnico Eagle announced its third quarter financial and operating results including an update on the Odyssey Project. It disclosed that production via the ramp at the Odyssey South deposit increased through the quarter, approaching the planned mining rate for 2024. It further disclosed that with a positive reconciliation of 18% in gold ounces for the first four stopes mined compared to plan, the internal zones continue to provide upside in tonnage and grade at Odyssey South. Shaft sinking activities continued in the third quarter of 2023. Ramp development continued to exceed targets. With this strong development performance, Agnico Eagle is advancing shaft pre-sinking activities. It stated that exploration drilling in the quarter focused on infilling the internal zones at the Odyssey South deposit and mineral resource expansion of the East Gouldie deposit to the east and west.

On February 15, 2024, Agnico Eagle announced its full year 2023 results as well as providing an update on 2023 exploration results and 2024 exploration plans. Exploration drilling at the Odyssey mine in 2023 continued to focus on three objectives: infill drilling of the Odyssey South deposit and the adjacent Odyssey internal zones; investigating lateral extensions to the west and to the east along the favourable East Gouldie mineralized corridor to grow the inferred mineral resources at East Gouldie; and adding holes in the planned upper mining levels in the East Gouldie deposit to further de-risk the project. Positive results from the Odyssey internal zones show the potential with further drilling to add mineral resources at shallow depth near existing underground mine infrastructure.

Exploration at the Odyssey mine in 2024 has five objectives: continued conversion drilling of East Gouldie inferred mineral resources to indicated mineral resources; testing the immediate extensions of East Gouldie; continued conversion drilling of the Odyssey South deposit inferred mineral resources to indicated mineral resources; further investigating the Odyssey internal zones; and converting inferred mineral resources to indicated mineral resources in the Odyssey North deposit.

For more information, refer to Agnico Eagle's news releases dated June 20, July 26 and October 25, 2023, and February 15, 2024, available under its profile on www.sedarplus.ca.

***Côté Gold Project***

We hold a 0.75% NSR royalty over the southern portion of the Côté Gold Project in Ontario, Canada.

On October 23, 2023 IAMGOLD Corporation ("**IAMGOLD**") disclosed that, as of September 30, 2023, the Côté Gold Project was estimated to be approximately 91% complete and first production is expected to commence in early 2024. It further disclosed that mining activities have built the current ore stockpile, on track to the disclosed target build-up by the end of the year.

On January 22, 2024 IAMGOLD announced its 2023 results and provided its outlook for 2024. As of December 31, 2023, the Côté Gold Project was estimated to be 98% complete construction with initial gold production expected by the end of March, operations ramping-up in the second quarter of 2024, and commercial production expected to be achieved in the third quarter of 2024.

For more information, refer to IAMGOLD's news releases dated October 23, 2023 and January 22, 2024, available under its profile at www.sedarplus.ca.

***Ren Project***

We hold a 1.5% NSR and a 3.5% NPI over the Ren Project, part of Barrick Gold Corporation's ("**Barrick**") Carlin Complex, in Elko County, Nevada, USA.

On August 8, 2023, Barrick reported its second quarter results and outlined that exploration had progressed at significant brownfields opportunities at Carlin. Barrick further outlined that drilling continues to confirm potential discoveries across the exploration pipeline in the Nevada Complex.

On September 12, 2023, Barrick provided an update on the embedded growth projects driving value and an expected rise in production. At Carlin, Ren was highlighted as a continued driver of growth with expected increases in resources, a pre-feasibility study targeted for 2026, and incorporation of Ren into the Carlin complex 10-year mine plan.

On February 9, 2024 Barrick issued a news release outlining Nevada Gold Mines' strong positioning for growth. Barrick outlined that Northern Nevada was still highly prospective for new world-class discoveries and expanded that brownfields exploration has delivered an exciting pipeline of near-mine growth opportunities across Carlin, which includes projects such as Ren.

For further information, refer to Barrick's news releases dated August 8, 2023, September 12, 2023 and February 9, 2024, available under its profile at www.sedarplus.ca.

***Borborema Project***

We hold a 2.0% NSR royalty over the Borborema Gold Project in Rio Grande do Norte, Brazil. The royalty decreases to a 0.5% NSR after 725,000 oz of gold production. Subject to a buyback right of the operator, whereby a 0.5% NSR may be repurchased for $2.5 million after the earlier of 2,250,000 oz of production or 2050.

On February 20, 2024 Aura Minerals Inc. ("**Aura**") announced its 2023 annual results including an update on construction at the Borborema project. Construction is well underway with 17% completed to date, and production expected to start in early 2025. The project's advancement includes completed earthworks and ongoing civil mobilizations, alongside efforts to relocate a road to access additional resources, with engineering, procurement, and construction management services provided by POYRY, ensuring the project remains on schedule.

For further information, refer to Aura's news release dated February 20, 2024, available under its profile at www.sedarplus.ca.

***Granite Creek Mine Project***

We hold a 10.0% NPI over the Granite Creek Mine in Humboldt County, Nevada, USA.

On October 11, 2023, i-80 Gold Corp ("**i-80**") provided a development and exploration update on the Granite Creek operation. At Granite Creek, i-80 achieved 592 tons per day of mineralized material production as the operation continues to ramp-up. Mining is focused on the extraction of high-grade gold mineralization in the Ogee Zone while development progresses towards the South Pacific Zone ("**SPZ**"). i-80 disclosed that the SPZ is host to high-grade gold mineralization located immediately north of the underground mine workings and is expected to become the mine's main horizon beginning in 2024.

On January 9, 2024, i-80 reported some highlights and achievements for 2023. To facilitate the development of the SPZ, an additional dewatering well was installed and commissioned in the fourth quarter. The decline to access the South Pacific zone is expected to be completed in the first half of 2024, providing additional headings for mining and expected increased mining rates. Initial test mining of the SPZ, that is expected to become the primary mine horizon at Granite Creek, is expected to be advanced in the first half of the year.

On February 7, 2024, i-80 announced the results of its 2023 surface drill program at the Granite Creek operation. The SPZ is expected to become the primary horizon for mining once initial development has been extended to provide access. In the second half of 2023, drilling was completed from underground in the upper portion of the SPZ where initial stoping is expected.

On March 12, 2024 i-80 announced its Q4 and full year 2023 results, highlights from the full year at Granite Creek included: 12,712 feet of development and 61,223 tons of material sold under an ore sale agreement with a third party.

For further information, refer to i-80's news releases dated October 11, 2023, January 9, 2024, February 7, 2024 and March 12, 2024, available under its profile at www.sedarplus.ca

***Cozamin Mine***

We hold a 1.0% NSR royalty on portions of the Cozamin copper-silver mine, located in Zacatecas, Mexico. Since acquisition, we have earned $0.4 million in royalty revenue.

On November 3, 2023, Capstone reported its third quarter 2023 results including an update on operations at Cozamin. It disclosed that 2023 year-to-date copper production was lower than 2022 year-to-date copper production due to lower throughput as a result of a change in mining method to cut-and-fill but with recoveries and grades consistent with the same period last year. It further disclosed that planned exploration work at Cozamin is focused on infill drilling which is expected to support an updated mineral resource estimate in 2024.

On January 24, 2024, Capstone reported its 2023 year end results. The expected guidance for Cozamin is anticipated to be similar to 2023. Operating costs in 2024 are forecasted to be higher than those in 2023 driven by a higher proportion of cut-and-fill mining methods compared to longhole stoping, along with a stronger Mexican peso.

For more information, refer to Capstone's news releases dated November 3, 2023, and January 24, 2024, available under its profile on www.sedarplus.ca

***Fenelon Gold Project***

We hold a 2.0% NSR royalty over portion of the current mineral resources on the Fenelon Gold Project in Québec, Canada.

On January 16, 2024 Wallbridge Mining Company Ltd. ("**Wallbridge**") issued a press release, including a description of its fully-funded 2024 exploration program that prioritizes upgrading gold resources at both its Martiniere Gold and Fenelon Gold deposits. The drill program consists of 23,000 metres, of which 5,000 metres is intended to expand known mineralization and explore new targets at the Fenelon Gold deposit. Several technical studies are also planned in 2024 at the Fenelon Gold deposit with the goal of further enhancing the economics of the project.

On February 7, 2024, Wallbridge announced final results from the 2023 drill program that added near-surface mineralization adjacent to the Fenelon mineral resource and expand the mineralized area to the north and east at its 100%-owned Fenelon Gold project. It announced that the 2024 drill program had commenced with the objective to expand the limits of near-surface gold resources in the vicinity of the 2023 Preliminary Economic Assessment mine design, offering the potential to improve the project's overall economics.

For more information, refer to Wallbridge's news releases dated January 16, 2024 and February 7, 2024, available under its profile at www.sedarplus.ca.

***Tonopah West Project***

We hold a 3.0% NSR royalty over the Tonopah West project in Nevada, USA.

On November 8, 2023, Blackrock Silver Corp ("**Blackrock Silver**") announced the filing of the updated mineral resource estimate for the project.

On March 13, 2024, Blackrock Silver announced had fully exercised its option to acquire the Tonopah West Project from Gold Royalty. In connection with the exercise of the Option, Gold Royalty received $1 million in cash and retained a 3.0% NSR royalty over the entire project with associated advance minimum royalties of $0.05 million per year. All advance royalty payments will be credited towards future production royalty payments.

For more information, refer to Blackrock Silver's news releases dated November 8, 2023 and March 13, 2024, available under its profile at www.sedarplus.ca.

***Jerritt Canyon Mine***

We hold a 0.5% NSR royalty over the Jerritt Canyon Mine in Elko County, Nevada, USA. The Company also holds an incremental per ton royalty interest on the Jerritt Canyon processing facility.

On March 20, 2023, First Majestic Silver Corp. ("**First Majestic**") announced that it was temporarily suspending all mining activities and reducing its work force at the Jerritt Canyon Mine, citing inflationary cost pressures, contractor inefficiencies, lower than expected head grades and multiple extreme weather events. It disclosed that during the suspension it intended to process approximately 45,000 tonnes of aboveground stockpiles through its plant and that exploration activities were expected to continue throughout 2023, including with respect to additional plans to explore for new regional discoveries and expand current known reserves and resources. This event and continued suspension of operations, with no update on the resumption date of mining activities as at December 31, 2023, resulted in the Company recognizing an impairment charge of $8.3 million ($6.5 million, net of tax) on the Jerritt Canyon royalty.

On January 16, 2024, First Majestic disclosed its planned drill program at Jerritt Canyon for 2024. Exploration work will be focused on drilling open ends of inferred mineralization with large volume potential as well as testing projections of ore controlling structures below outcropping Upper Plate (cover rock).

On February 7, 2024, First Majestic announced encouraging exploration drilling results at Jerritt Canyon. Drilling was designed to expand the Javelin target identified in July 2023. Drilling of the Purple Haze exploration target also intersected new gold mineralization located up to 100 m away from existing developments of the SSX mine. Mineralization remains open in multiple directions.

For more information, refer to First Majestic's news releases dated March 20, 2023, January 16, 2024 and February 7, 2024, available under its profile at www.sedarplus.ca.

***Railroad-Pinion Project***

We hold a 0.436% NSR royalty over portions of the Railroad-Pinion Project in Elko County, Nevada, USA.

On August 3, 2023, Orla Mining Ltd. ("**Orla**") provided its second quarter results, including an update on activities at South Railroad during the quarter. Drilling at South Railroad began late in the second quarter and assay results are pending. Orla's exploration objectives are to upgrade and grow resources at satellite deposits and drill test multiple targets for new discovery.

Orla disclosed that it is expecting the Bureau of Land Management ("**BLM**") to file the Notice of Intent for South Railroad in the Federal Register in late 2023 or early 2024. Once the Notice of Intent is filed, public scoping meetings can commence in conjunction with the development of the Environmental Impact Statement ("**EIS**"). Orla disclosed that it has engaged SWCA Environmental Consultants to manage the EIS process on behalf of the BLM as per the prescribed process. Orla anticipates awarding the Engineering, Procurement & Construction Management contract for the South Railroad Project once the Notice of Intent has been filed. It disclosed that detailed engineering and design work could then commence in preparation for a construction decision following the conclusion of the National Environmental Policy Act process and receipt of a Record of Decision document.

For more information, refer to Orla Mining's news releases dated August 3, 2023, available under its profile at www.sedarplus.ca.

***Whistler Gold-Copper Project***

The Company holds a 1.0% NSR royalty over the Whistler gold-copper project in Alaska, USA.

On January 16, 2024, U.S. GoldMining Inc. ("**U.S. GoldMining**") announced results from its 2023 Phase 1 Drilling Program at the Whistler Project. The drill program comprised infill drilling and step out drilling.

For more information, refer to U.S. GoldMining's news releases dated January 16, 2024, available under its profile at www.sedarplus.ca.

***Croinor Gold Project***

We hold a 2.75% NSR royalty over the Croinor Gold Project in Quebec, Canada.

On November 20, 2023, Probe Gold Inc. ("**Probe**") announced that it had commenced a resource expansion drill program at the Croinor Gold Project. Two drill rigs have been deployed to test high-priority targets on Probe's 100%-owned property.

For more information, refer to Probe's news release dated November 20, 2023, available under its profile at www.sedarplus.ca.

***Isabella Pearl***

We hold a 0.375% GRR on portions of the Isabella Pearl Mine owned by Fortitude Gold Corporation ("**Fortitude Gold**").

In a press release dated February 27, 2024, Fortitude Gold disclosed that mine operations at the Isabella Pearl Mine are projected to conclude in 2024, with the mine sequencing of the final benches being subject to regulatory approval. As part of Fortitude's Plan of Operation, the next project disclosed to be planned for production is from the County Line project, which is subject to a 3.0% NSR royalty held by us. Fortitude Gold further disclosed that material mined from County Line will be processed at the Isabella Pearl heap leach pad and Adsorption Desorption Recovery facility to take advantage of existing infrastructure synergies. In its Annual Report on Form 10-K for the year ended December 31, 2023, Fortitude Gold disclosed that its focus in early 2024 is to expand the current boundaries of the mine's current plan of operations to include specific areas adjacent to the mine, namely the Scarlet and Scarlet North targets. We currently expect such target areas are included under our existing 2.5% NSR royalty on the Isabella Extension

***Monarch Projects***

On September 27, 2022, Monarch Mining Corporation ("**Monarch**"), the owner of the Beaufor, Croinor, McKenzie Break and Swanson projects announced that it had suspended its operations at the Beaufor Mine due to financial and operational challenges. On November 14, 2023 Monarch filed for creditor protection under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**"). We considered the suspension of operations at the Beaufor Mine an indicator of impairment and conducted an impairment analysis to estimate the recoverable amount at that time. Accordingly, we determined to write down the carrying value of the royalties relating to Beaufor, McKenzie Break and Swanson to $nil, recognizing a non-cash impairment charge of $10.0 million in the year ended December 31, 2023. Subsequently, in March 2023, the Superior Court of Quebec issued approval and vesting orders in respect of each of the Beaufor, McKenzie Break and Swanson projects in the CCAA proceedings, whereby they would be acquired by a third-party and existing royalties thereon would not survive. The Croinor project was sold by Monarch to Probe in November 2023 and we continue to hold our royalty interest in such project.

***Royalty Generation Update***

Our Royalty Generator Model had a productive year with six new royalties added in the year ended December 31, 2023. We have generated 39 royalties since the acquisition of Ely Gold Royalties Inc. in 2021 through this model. We currently have 29 properties subject to land agreements and 7 properties under lease generating land agreement proceeds. The model continues to incur low operating costs with only $0.16 million spent on mineral interests maintenance expense in 2023.

**Overall Performance**

For the year ended December 31, 2023, we incurred a net loss of $26.8 million, or $0.18 per share, compared to a net loss of $12.7 million, or $0.09 per share, for the year ended December 31, 2022. As at December 31, 2023, we had working capital (current assets less current liabilities) of $1.7 million.

In the year ended December 31, 2023, we recognized a $22.4 million non-cash impairment against certain of our royalty assets, excluding tax of $2.6 million. These impairments were recognized in connection with the continued suspension of operations at Jerritt Canyon with no updates regarding the resumption date of mining activities as of December 31, 2023, the suspension of operations and CCAA proceedings relating to Monarch, which owned the Beaufor, Mckenzie Break and Swanson properties and discontinued exploration activities by certain project operators. See " *Selected Asset Updates – Jerritt Canyon Mine"* and*"Selected Asset Updates – Monarch Projects*".

For the year ended December 31, 2023, we incurred an Adjusted Net Loss of $4.0 million, or $0.03 per share, compared to an Adjusted Net Loss of $11.2 million, or $0.08 per share, for the year ended December 31, 2022. "Adjusted Net Loss" and "Adjusted Net Loss Per Share" are non-IFRS financial measures. See " *– Non-IFRS Measures*".

**Selected Annual Information**

The following sets forth selected annual financial information for the three most recently completed fiscal years:

| **(in thousands of dollars, except per share amounts)** | For the year ended December 31, 2023 ($) | For the year ended December 31, 2022 ($) | For the year ended September 30, 2022 ($) | For the year ended September 30, 2021 ($) |
|---|---|---|---|---|
| Revenue | 3,048 | 3,993 | 3,944 | 192 |
| Net loss | (26,756) | (12,709) | (17,346) | (15,006) |
| Net loss per share, basic and diluted | (0.18) | (0.09) | (0.14) | (0.45) |
| Operating cash flows before movements in working capital | (5,049) | (9,604) | (13,146) | (10,255) |
| *Non-IFRS and Other Measures* | | | | |
| Total Revenue, Land Agreement Proceeds and Interest* | 5,216 | 5,837 | 5,724 | 192 |
| Cash Operating Expenses | (8,004) | (12,580) | (16,407) | (9,280) |
| Adjusted Net Earnings/(Loss)* | (3,965) | (11,254) | (11,485) | (9,316) |
| Adjusted Net Earnings/(Loss) Per Share, basic and diluted* | (0.03) | (0.08) | (0.09) | (0.28) |
| Total GEOs* | 3,204 | 3,118 | 2,703 | 104 |
| *Statement of Financial Position* | | | | |
| Total assets | 690,994 | 682,410 | 688,614 | 279,499 |
| Total non-current liabilities | 166,193 | 144,782 | 145,184 | 47,260 |

*See "*Non-IFRS Measures*"

The decrease in revenue to $3.0 million from $4.0 million was primarily related to lower royalty revenue generated during the year ended December 31, 2023, compared to the year ended December 31, 2022. Royalty revenue from Canadian Malartic was lower in the 2023 fiscal year compared to the fiscal year 2022 due to adjusted sequencing of production at the Barnat Pit where our royalty is primarily located. In addition, revenue generated from the Borden asset during the 2022 fiscal year included a one-time recovery of revenue related to past periods, which did not occur in 2023.

During the year ended December 31, 2023, we earned $5.2 million in Total Revenue, Land Agreement Proceeds and Interest compared to $5.8 million in the year ended December 31, 2022, respectively. $1.9 million and $1.8 million of the Land Agreement Proceeds were credited against the carrying value of mineral properties for the year ended December 31, 2023 and 2022, respectively.

For the year ended December 31, 2023, net loss increased to $26.8 million from $12.7 million for the year ended December 31, 2022, as we incurred reduced corporate administrative costs, employee costs and professional fees, offset by impairment charges on certain exploration and development stage royalty assets.

Impairment of royalty assets for the year ended December 31, 2023 was $22.4 million, net of tax of $2.6 million, compared to $3.8 million, net of tax of $0.8 million in the year ended December 31, 2022. See "*Overall Performance*" for further information regarding Non-Cash Impairments.

Total assets increased to $691.0 million from $682.4 million, which was primarily attributed to the additional royalties acquired during the year ended December 31, 2023, including royalties on the Cozamin mine and Borborema gold project, partially offset by impairments on interests recognized during the period.

The total non-current financial liabilities increased to $35.0 million as at December 31, 2023 from $9.7 million as at December 31, 2022. The increase as at December 31, 2023 mainly represents the outstanding balance of the Facility of $10.0 million, debt component of the convertible debenture of $22.8 million, embedded derivative component of the convertible debenture of $1.9 million and non-current portion of lease obligation of $0.3 million, compared to the outstanding balance of the Facility of $9.4 million and non-current portion of lease obligation of $0.3 million as at December 31, 2022.

## Outlook

The Company currently forecasts between approximately 5,000 and 5,600 GEOs in 2024 which equates to approximately $10.0 million to $11.2 million in Total Revenue, Land Agreement Proceeds and Interest at a gold price of $2,000 per ounce. This represents a midpoint increase in GEOs of approximately 100% relative to 2023.

The Company's recurring Cash Operating Expenses are currently expected to be consistent with 2023 and the Company expects to achieve positive operating cash flow in 2024 when a number of its growth projects ramp up in production, including the long-life cornerstone mines at Côté and Odyssey and a full year of cash inflows from the recently acquired Cozamin and Borborema royalties.

The 2024 outlook regarding total GEOs is based on public forecasts, expected development timelines and other disclosure by the owners and operators of the properties underlying our interests and our assessment thereof.

Total GEOs, Total Revenue, Land Agreement Proceeds and Interest and Cash Operating Expenses are each non-IFRS financial measures. *See "Non-IFRS Measures"*.

**Discussion of Operations**

***Year ended December 31, 2023, compared to year ended December 31, 2022***

Revenue for the year ended December 31, 2023 was $3.0 million, compared to $4.0 million in the comparative year, 2022. Royalty revenue from our interests in the Canadian Malartic Property was lower than the comparative period primarily due to adjusted sequencing of production at the Barnat Pit where our royalty is primarily located. In addition, $0.9 million of royalty revenue generated from the Borden asset during the year ended December 31, 2022, relates to a one-time recovery of revenue related to past periods, which did not occur during the year ended December 31, 2023.

The following provides a breakdown of our Total Revenue, Land Agreement Proceeds and Interest by assets for the years indicated:

| | For the year ended | |
|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | December 31, 2022 ($) |
| Canadian Malartic | 709 | 1,265 |
| Cozamin | 664 | — |
| Borden | 520 | 1,017 |
| Jerritt Canyon | 201 | 651 |
| Others | 3,122 | 2,904 |
| | 5,216 | 5,837 |

*See "Non-IFRS Measures"*

The amount attributed to Cozamin above consists of royalty revenue of $0.4 million and $0.2 million of pre-acquisition revenue credited against the Cozamin purchase price. The latter amount represents royalty amounts paid after entering into the agreement to acquire the Cozamin royalty and collected at closing from the seller. Others consist of royalty income from the Isabella Pearl Mine, land agreement proceeds, advance mineral royalty payments received, and pre-production royalty payment and interest income received from Borborema.

During the year ended December 31, 2023, we recognized depletion expense of $0.9 million, as compared to $1.7 million in the year ended December 31, 2022. A reduction in royalty revenue generated during the year ended December 31, 2023 to $3.0 million from $4.0 million during the year ended December 31, 2022, accounts for the lower depletion charge.

During the year ended December 31, 2023, we incurred total expenses of $10.9 million, as compared to $16.0 million in the year ended December 31, 2022. Cash Operating Expenses decreased by 36% to $8.0 million from $12.6 million in the same period of 2022. See "*Non-IFRS Measures*". The decrease in total expenses was primarily the result of a decrease in corporate and administrative costs of $2.1 million, employee costs of $0.5 million, professional fees of $2.0 million, Share-based compensation of $0.5 million and depreciation of $0.02 million.

During the year ended December 31, 2023, we incurred corporate and administrative costs of $3.1 million, as compared to $5.1 million in the year ended December 31, 2022. Corporate administrative costs primarily consist of investor communications and marketing expenses of $0.7 million as compared to $1.6 million in the year ended December 31, 2022, office and technology expenses of $0.5 million as compared to $0.8 million in the year ended December 31, 2022, transfer agent and regulatory fees of $0.3 million as compared to $0.5 million in the year ended December 31, 2022, insurance fees of $1.3 million as compared to $1.9 million in the year ended December 31, 2022 and mineral interest maintenance expenses of $0.16 million as compared to $0.20 million in the year ended December 31, 2022. The decrease in corporate and administrative costs is primarily attributed to a refocus on selected higher value-added marketing activities, streamlining of administrative activities and reduced insurance fees paid for directors and officers.

During the year ended December 31, 2023, we incurred employee costs of $2.8 million as compared to $3.3 million in the year ended December 31, 2022. Employee costs primarily consist of salary and wages paid to employees and fees paid to directors. The decrease in employee costs is primarily attributed to timing difference relating to the accrual of year-end compensation relating to fiscal year 2022.

During the year ended December 31, 2023, we incurred professional fees of $2.1 million as compared to $4.2 million in the year ended December 31, 2022. Professional fees primarily consist of expenses for audit and quarterly review fees, legal fees for general corporate and securities matters. The decrease in professional fees is primarily attributed to cost control initiatives and efficiencies realized through the post-merger integration of the three companies we acquired in 2021.

The following provides a breakdown of Cash Operating Expenses for the periods indicated:

| | For the year ended | |
|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | December 31, 2022 ($) |
| Corporate administrative costs | 3,036 | 5,123 |
| Employee costs | 2,824 | 3,305 |
| Professional fees | 2,144 | 4,152 |
| Cash Operating Expenses | 8,004 | 12,580 |

*See "Non-IFRS Measures"*

During the year ended December 31, 2023, we recognized impairment of royalty assets of $22.4 million, excluding tax of $2.6 million. See " *Overall Performance*".

During the year ended December 31, 2023, we recognized share-based compensation expense of $2.8 million as compared to $3.3 million in the year ended December 31, 2022. Share-based compensation expenses represented the vesting of share options, restricted shares and restricted share units granted to management, directors, employees and consultants. The share-based compensation expense also included the amortization of the fair value of GRC Shares issued to contractors for marketing services of $0.06 million for the year ended December 31, 2023.

During the year ended December 31, 2023, we recognized a fair value gain on our derivative liabilities of $0.2 million as compared to $4.8 million in the year ended December 31, 2022. The change is primarily as a result of our purchases of the remaining call options on certain short-term investments acquired as part of the acquisition of Abitibi.

During the year ended December 31, 2023, we recognized a fair value loss on our short-term investments of $0.3 million as compared to $0.05 million in the year ended December 31, 2022. Short-term investments are measured at fair value with reference to closing foreign exchange rates and the quoted share price in the market.

During the year ended December 31, 2023, we incurred interest expenses of $1.8 million as compared to $0.9 million in the year ended December 31, 2022. The increase is primarily attributed to interest on the Amended Facility and the Debentures. In addition, we incurred a loss on loan modification of $0.2 million during the year ended December 31, 2023 compared to $0.3 million in the same period in 2022 resulting from the amendment of our existing credit facility.

In the year ended December 31, 2023, we incurred current tax expenses of $0.05 million, compared to $0.1 million in the year ended December 31, 2022. In the year ended December 31, 2023 we recognized a deferred tax recovery of $6.2 million, compared to $0.7 million in the year ended December 31, 2022. The increase deferred tax recovery recognized in the year ended December 31, 2023 is primarily related to the recognition of impairment of royalty assets of $22.4 million and non-recognition of deferred tax liability on the equity component of the convertible debenture of $14.6 million.

| | For the year ended | |
|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | December 31, 2022 ($) |
| Current tax expense | (50) | (114) |
| Deferred tax recovery | 6,183 | 731 |
| | 6,133 | 617 |

During the year ended December 31, 2023, we had a net loss of $26.8 million, or $0.18 per share on a basic and diluted basis, compared to $12.7 million, or $0.09 per share on a basic and diluted basis, for the same period of 2022. During the year ended December 31, 2023, we incurred an Adjusted Net Loss of $4.0 million or $0.03 per share, compared to an Adjusted Net Loss of $11.2 million or $0.08 per share, for the same period in 2022. The improved Adjusted Net Loss are largely attributable to a 36% decrease in Cash Operating Expenses compared to the prior year. *See "Non-IFRS Measures"*.

***Year ended December 31, 2023, compared to year ended September 30, 2022***

Revenue for the year ended December 31, 2023 was $3.0 million, compared to $3.9 million in the year ended September 30, 2022. Royalty revenue from our interests in the Canadian Malartic Property was lower than the comparative period primarily due to adjusted sequencing of production at the Barnat Pit where our royalty is primarily located. In addition, $0.9 million of royalty revenue generated from the Borden asset during the year ended September 30, 2022, relates to a one-time recovery of revenue related to past periods, which did not occur during the year ended December 31, 2023.

The following provides a breakdown of our Total Revenue, Land Agreement Proceeds and Interest by assets for the years indicated:

| | For the year ended | |
|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | September 30, 2022 ($) |
| Canadian Malartic | 709 | 1,132 |
| Cozamin | 664 | — |
| Borden | 520 | 954 |
| Jerritt Canyon | 201 | 808 |
| Others | 3,122 | 2,830 |
| | 5,216 | 5,724 |

*See "Non-IFRS Measures"*

The amount attributed to Cozamin above consists of royalty revenue of $0.4 million and $0.2 million of pre-acquisition revenue credited against the Cozamin purchase price. The latter amount represents royalty amounts paid after entering into the agreement to acquire the Cozamin royalty and collected at closing from the seller. Others consist of royalty income from the Isabella Pearl Mine, land agreement proceeds, advance mineral royalty payments received, and pre-production royalty payment and interest income received from Borborema.

During the year ended December 31, 2023, we recognized depletion expense of $0.9 million, as compared to $1.8 million in the year ended September 30, 2022. A reduction in royalty revenue generated during the year ended December 31, 2023 to $3.0 million from $3.9 million during the year ended September 30, 2022, accounts for the lower depletion charge.

During the year ended December 31, 2023, we incurred total expenses of $10.9 million, as compared to $19.6 million in the year ended September 30, 2022. Cash Operating Expenses decreased by 51% to $8.0 million from $16.4 million in the year ended September 30, 2022. See "*Non-IFRS Measures*". The decrease in total expenses was primarily the result of a decrease in corporate and administrative costs of $2.0 million, employee costs of $0.2 million, professional fees of $6.2 million, Share-based compensation of $0.3 million and depreciation of $0.002 million.

During the year ended December 31, 2023, we incurred corporate and administrative costs of $3.1 million, as compared to $5.0 million in the year ended September 30, 2022. Corporate administrative costs primarily consist of investor communications and marketing expenses of $0.7 million as compared to $1.4 million in the year ended September 30, 2022, office and technology expenses of $0.5 million as compared to $0.8 million in the year ended September 30, 2022, transfer agent and regulatory fees of $0.3 million as compared to $0.5 million in the year ended September 30, 2022, insurance fees of $1.3 million as compared to $2.0 million in the year ended September 30, 2022 and mineral interest maintenance expenses of $0.16 million as compared to $0.20 million in the year ended September 30, 2022. The decrease in corporate and administrative costs is primarily attributed to a refocus on selected higher value-added marketing activities, streamlining of administrative activities and reduced insurance fees paid for directors and officers.

During the year ended December 31, 2023, we incurred employee costs of $2.8 million as compared to $3.0 million in the year ended September 30, 2022. Employee costs primarily consist of salary and wages paid to employees and fees paid to directors. The decrease in employee costs is primarily attributed to lower bonuses accrued in the year ended December 31, 2023 compared to the year ended September 30, 2022.

During the year ended December 31, 2023, we incurred professional fees of $2.1 million as compared to $8.4 million in the year ended September 30, 2022. Professional fees primarily consist of expenses for audit and quarterly review fees, legal fees for general corporate and securities matters. Professional fees incurred during the year ended September 30, 2022 included costs related to the acquisition of Ely, Golden Valley and Abitibi, and our offer to acquire Elemental of $2.1 million, and consultancy fees of $4.1 million which were not incurred during the year ended December 31, 2023.

The following provides a breakdown of Cash Operating Expenses for the periods indicated:

| | For the year ended | |
|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | September 30, 2022 ($) |
| Corporate administrative costs | 3,036 | 5,035 |
| Employee costs | 2,824 | 2,998 |
| Professional fees | 2,144 | 8,374 |
| Cash Operating Expenses | 8,004 | 16,407 |

*See "Non-IFRS Measures"*

During the year ended December 31, 2023, we recognized impairment of royalty assets of $22.4 million, excluding tax of $2.6 million, compared to $3.8 million excluding tax of $0.8 million, during the year ended September 30, 2022. See "Overall Performance".

During the year ended December 31, 2023, we recognized share-based compensation expense of $2.8 million as compared to $3.1 million in the year ended September 30, 2022. Share-based compensation expenses represented the vesting of share options, restricted shares and restricted share units granted to management, directors, employees and consultants. The share-based compensation expense also included the amortization of the fair value of GRC Shares issued to contractors for marketing services of $0.12 million for the year ended in the year ended September 30, 2022.

During the year ended December 31, 2023, we recognized a fair value gain on our derivative liabilities of $0.2 million as compared to $4.5 million in the year ended September 30, 2022. The change is primarily as a result of our purchases of the remaining call options on certain short-term investments acquired as part of the acquisition of Abitibi.

During the year ended December 31, 2023, we recognized a fair value loss on our short-term investments of $0.3 million as compared to $0.6 million in the year ended September 30, 2022. Short-term investments are measured at fair value with reference to closing foreign exchange rates and the quoted share price in the market.

During the year ended December 31, 2023, we incurred interest expenses of $1.8 million as compared to $0.6 million in the year ended September 30, 2022. The increase is primarily attributed to interest on the Amended Facility and the Debentures. In addition, we incurred a loss on loan modification of $0.2 million during the year ended December 31, 2023 resulting from the amendment of our existing credit facility. There was no amendment of the credit facility in the year ended September 30, 2022.

In the year ended December 31, 2023, we incurred current tax expenses of $0.05 million, compared to $0.1 million in the year ended September 30, 2022. In the year ended December 31, 2023 we recognized a deferred tax recovery of $6.2 million, compared to $0.1 million in the year ended September 30, 2022. The increase deferred tax recovery recognized in the year ended December 31, 2023 is primarily related the recognition of impairment of royalty assets of $22.4 million and non-recognition of deferred tax liability on the equity component of the convertible debenture of $14.6 million.

| | For the year ended | |
|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | September 30, 2022 ($) |
| Current tax expense | (50) | (114) |
| Deferred tax recovery | 6,183 | 129 |
| | 6,133 | 15 |

During the year ended December 31, 2023, we had a net loss of $26.8 million, or $0.18 per share on a basic and diluted basis, compared to $17.3 million, or $0.14 per share on a basic and diluted basis, in the year ended September 30, 2022. During the year ended December 31, 2023, we incurred an Adjusted Net Loss of $4.0 million or $0.03 per share, compared to an Adjusted Net Loss of $11.5 million or $0.09 per share, in the year ended September 30, 2022. The improved Adjusted Net Loss were largely attributable to a 51% decrease in Cash Operating Expenses decreased to $8.0 million in the year ended December 31, 2023 from $16.4 million in the year ended September 30, 2022. *See "Non-IFRS Measures*".

***Year ended September 30, 2022, compared to year ended September 30, 2021***

For a discussion of our results of operations for the year ended September 30, 2022, please refer to "Item 5. Operating and Financial Review and Prospects" of our Annual Report on Form 20-F for the year ended September 30, 2022.

***Three months ended December 31, 2023, compared to three months ended December 31, 2022***

Revenue for the three months ended December 31, 2023, was $1.0 million, compared to $0.6 million in the comparative period in 2022. Royalty revenue from our interests in the Canadian Malartic Property was $0.4 million compared to $0.2 million for the same period in 2022. In addition, Cozamin and Borborema generated royalties of $0.2 million and pre-production royalty revenue of $0.07 million, respectively.

The following provides a breakdown of our Total Revenue, Land Agreement Proceeds and Interest by assets for the periods indicated:

| | For the three months ended | |
|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | December 31, 2022 ($) |
| Canadian Malartic | 429 | 195 |
| Cozamin | 224 | — |
| Borden | 102 | 63 |
| Jerritt Canyon | 3 | 148 |
| Others | 561 | 725 |
| | 1,319 | 1,131 |

*See "Non-IFRS Measures"*

Others consist of royalty income from land agreement proceeds of $0.4 million, advance mineral royalty payments received of $0.06 million, and pre-production royalty payment and interest income of $0.1 million received from Borborema for the three months ended December 31, 2023.

During the three months ended December 31, 2023, we recognized depletion expense of $0.3 million, compared to $0.2 million during the comparative period in 2022. The increase in royalty revenue generated during the three months ended December 31, 2023, compared to the comparative period in 2022 accounts for the increase depletion charge.

During the three months ended December 31, 2023, we incurred total expenses of $2.6 million, as compared to $4.0 million in the three months ended December 31, 2022. Cash Operating Expenses decreased by 31% to $2.1 million, from $2.9 million in the same period of 2022. See " – *Non-IFRS Measures*". The decrease in total expenses was primarily the result of a decrease in corporate and administrative costs of $0.7 million, employee costs of $0.01 million, professional fees of $0.1 million, Share-based compensation of $0.5 million and depreciation of $0.001 million.

During the three months ended December 31, 2023, we incurred corporate and administrative costs of $0.6 million, as compared to $1.4 million in the same period in 2022. Corporate administrative costs primarily consist of investor communications and marketing expenses of $0.2 million as compared to $0.6 million in the same period in 2022, office and technology expenses of $0.1 million as compared to $0.2 million in the same period in 2022, transfer agent and regulatory fees of $0.02 million as compared to $0.1 million in the same period in 2022, insurance fees of $0.3 million as compared to $0.4 million in the same period in 2022 and mineral interest maintenance cost recovery of $0.02 million as compared to expenses $0.04 million in the period in 2022. The decrease in corporate and administrative costs is primarily attributed to a refocus on selected higher value-added marketing activities, streamlining of administrative activities and reduced insurance fees paid for directors and officers.

Employee costs primarily consist of salary and wages and fee paid to directors, and remained unchanged at $0.7 million during the three months ended December 31, 2023 as well as the comparative period in 2022.

During the three months ended December 31, 2023, we incurred professional fees of $0.7 million as compared to $0.8 million in the same period in 2022. Professional fees primarily consist of expenses for audit and quarterly review fees, legal fees for general corporate and securities matters. The decrease in professional fees is primarily attributed to cost control initiatives.

The following provides a breakdown of Cash Operating Expenses for the periods indicated:

| (in thousands of dollars) | For the three months ended December 31, 2023 ($) | For the three months ended December 31, 2022 ($) |
|---|---|---|
| Corporate administrative costs | 596 | 1,366 |
| Employee costs | 724 | 738 |
| Professional fees | 697 | 836 |
| Cash Operating Expenses | 2,017 | 2,940 |

*See "Non-IFRS Measures"*

During the three months ended December 31, 2023, we recognized impairment of royalty assets of $22.4 million, excluding tax of $2.6 million. See " – Overall Performance" for further information regarding Non-Cash Impairments.

During the three months ended December 31, 2023, we recognized share-based compensation expense $0.5 million as compared to $1.1 million in the same period in 2022. Share-based compensation expenses represented the vesting of share options and restricted share units granted to management, directors, employees and consultants.

During the three months ended December 31, 2023, we recognized a fair value gain on derivative liabilities of $nil as compared to a gain of $0.3 million in the same period in 2022. The change is primarily as a result of our purchase of the remaining call options on certain short-term investments acquired as part of the acquisition of Abitibi.

During the three months ended December 31, 2023, we recognized a fair value loss on short-term investments of $0.05 million as compared to a gain of $1.1 million in the same period in 2022. Short-term investments are measured at fair value with reference to closing foreign exchange rates and the quoted share price in the market.

During the three months ended December 31, 2023, we incurred interest expenses of $0.8 million as compared to $0.3 million in the same period in 2022. The increase is primarily attributed to interest on the Amended Facility and the Debentures.

In the three months ended December 31, 2023, we incurred current tax expenses of $0.03 million, compared to $nil in the three months ended December 31, 2022. In the three months ended December 31, 2023, we recognized a deferred tax recovery of $5.7 million, compared to $0.4 million in the three months ended December 31, 2022. The increase deferred tax recovery recognized in the year ended December 31, 2023 is primarily related to tax implication on the recognition of impairment of royalty assets of $22.4 million and non-recognition of deferred tax liability on equity component of the convertible debenture of $14.6 million.

| (in thousands of dollars) | For the three months ended December 31, 2023 ($) | For the three months ended December 31, 2022 ($) |
|---|---|---|
| Current tax (recovery)/expense | 34 | — |
| Deferred tax recovery | 5,720 | 435 |
| | 5,754 | 435 |

During the three months ended December 31, 2023, we had a net loss of $19.4 million, or $0.13 per share on a basic and diluted basis, compared to $2.2 million or $0.02 per share on a basic and diluted basis, for the same period of 2022. During the three months ended December 31, 2023, we incurred Adjusted Net Earnings of $0.9 million or $0.01 per share, compared to an Adjusted Net Loss of $2.8 million or $0.02 per share, for the same period in 2022. The fourth quarter operating results were positively impacted by a 17% increase in Total Revenue, Land Agreement Proceeds and Interest of $0.1 million and a 31% decrease in Cash Operating Expenses of $0.9 million. *See "Non-IFRS Measures".*

***Three months ended December 31, 2022, compared to three months ended December 31, 2021***

The comparison of the results for the three months ended December 31, 2022 with the results for the three months ended December 31, 2021 can be found in the "Management's Discussion and Analysis" section in the Company's Transition Report on Form 20-F for the transition period from October 1, 2022 to December 31, 2022.

***Condensed Financial Statements***

The Condensed Consolidated Statement of Income for the year ended December 31, 2023 is presented below for reference in comparison to the year ended December 31, 2022:

| | Year ended | |
|---|---|---|
| | December 31, 2023 | December 31, 2022 (Unaudited) |
| **(in thousands of dollars, except share and per share amounts)** | ($) | ($) |
| **Revenue** | | |
| Revenue | 3,048 | 3,993 |
| **Cost of sales** | | |
| Depletion | (943) | (1,685) |
| **Gross profit** | 2,105 | 2,308 |
| | | |
| **Other operating income/(expenses)** | | |
| General and administrative costs | (10,401) | (13,960) |
| Project evaluation costs | (479) | (2,035) |
| Share of gain/(loss) in associate | 172 | (152) |
| Dilution gain in associate | 12 | 100 |
| Impairments of royalties | (22,379) | (3,821) |
| **Operating loss for the year** | (30,970) | (17,560) |
| | | |
| **Other items** | | |
| Change in fair value of derivative liabilities | 242 | 4,776 |
| Change in fair value of gold-linked loan | 172 | — |
| Change in fair value of short-term investments | (264) | (51) |
| Change in fair value of embedded derivatives | 30 | — |
| Foreign exchange gain/(loss) | (132) | 32 |
| Interest expense | (1,839) | (918) |
| Gain/(loss) on loan modification | (249) | 316 |
| Other income | 121 | 79 |
| **Net loss before income taxes for the year** | (32,889) | (13,326) |
| Current tax expense | (50) | (114) |
| Deferred tax recovery | 6,183 | 731 |
| **Net loss after income taxes for the year** | (26,756) | (12,709) |
| | | |
| **Other comprehensive income** | | |
| Item that may be reclassified subsequently to net income: | | |
| Foreign currency translation differences | 38 | (116) |
| **Total comprehensive loss for the year** | (26,718) | (12,825) |
| | | |
| **Net loss per share, basic and diluted** | (0.18) | (0.09) |
| | | |
| **Weighted average number of common shares outstanding, basic and diluted** | 144,729,662 | 136,803,625 |

The Condensed Consolidated Statement of Cash Flows for the year ended December 31, 2023 is presented below for reference in comparison to the year ended December 31, 2022:

| | Year ended | |
|---|---|---|
| | December 31, 2023 | December 31, 2022 (Unaudited) |
| **(in thousands of dollars, except share and per share amounts)** | ($) | ($) |
| **Operating activities** | | |
| Net loss for the year | (26,756) | (12,709) |
| Items not involving cash: | | |
| Depreciation | 70 | 92 |
| Depletion | 943 | 1,685 |
| Interest expense | 1,839 | 918 |
| Other income | (70) | (567) |
| Share-based compensation | 2,806 | 3,323 |
| Change in fair value of short-term investments | 264 | 51 |
| Change in fair value of derivative liabilities | (242) | (4,776) |
| Change in fair value of embedded derivatives | (30) | — |
| (Gain)/loss on loan modification | 249 | (316) |
| Change in fair value of gold-linked loan | (172) | — |
| Impairments of royalties | 22,379 | 3,821 |
| Share of (gain)/loss in associate | (172) | 152 |
| Dilution gain in associate | (12) | (100) |
| Deferred tax recovery | (6,183) | (731) |
| Unrealized foreign exchange (gain)/loss | 38 | (447) |
| Operating cash flows before movements in working capital | (5,049) | (9,604) |
| Net changes in non-cash working capital items: | | |
| Accounts receivables | (215) | (314) |
| Prepaids and other receivables | (1,681) | 2,763 |
| Accounts payable and accrued liabilities | 69 | (8,614) |
| **Cash used in operating activities** | (6,876) | (15,769) |
| | | |
| **Investing activities** | | |
| Restricted cash released | — | 609 |
| Interest received | 36 | 35 |
| Dividend received | 34 | 28 |
| Investment in royalties and other mineral interests | (28,701) | (19,387) |
| Investment in marketable securities | — | (843) |
| Proceeds on disposition of marketable securities | 3,308 | 22,190 |
| Investment in associate | — | (409) |
| Land agreements proceeds credited against mineral properties | 1,835 | 1,675 |
| Investment in gold-linked loan | (10,000) | — |
| Purchase of equipment | — | (28) |
| Proceeds on disposition of other mineral interests | — | 16 |
| **Cash provided by / (used in) investing activities** | (33,488) | 3,886 |
| | | |
| **Financing activities** | | |
| Proceeds from issuance of common shares | 1,391 | 576 |
| Net proceeds from bank loan/(payment of bank loan transaction costs) | (131) | 9,403 |
| Payment of government loan | (30) | — |
| Proceeds from convertible debentures, net of issuance costs | 38,520 | — |
| Interest paid | (1,115) | (539) |
| Payment of lease obligations | (76) | (75) |
| Dividends | (2,599) | (5,471) |
| Repurchase of call options | — | (8) |
| **Cash provided by financing activities** | 35,960 | 3,886 |
| | | |
| Effect of exchange rate changes on cash | — | 18 |
| | | |
| **Net decrease in cash** | (4,404) | (7,979) |
| **Cash and cash equivalents** | | |
| **Beginning of year** | 5,847 | 13,826 |
| **End of year** | 1,443 | 5,847 |

*Use of Proceeds*

During the year ended December 31, 2023, we distributed a total of 496,438 GRC Shares under our at-the-market equity program (the "**ATM Program**") for net proceeds of $1.3 million (gross proceeds of $1.3 million). Net proceeds derived from the GRC Shares sold under the ATM Program were used for the purchase of royalty interests and working capital purposes. The ATM Program expired on September 1, 2023, and has not been renewed as of the date hereof.

**Summary of Quarterly Results**

The following table sets forth our selected quarterly financial results for each of the three month periods indicated:

| | Three months ended | | | |
|---|---|---|---|---|
| **(in thousands of dollars, except per share and GEO amounts)** | December 31, 2023 ($) | September 30, 2023 ($) | June 30, 2023 ($) | March 31, 2023 ($) |
| **Statement of Loss and Comprehensive Loss** | | | | |
| Revenue | 1,016 | 797 | 468 | 767 |
| Net loss | (19,360) | (1,817) | (2,496) | (3,083) |
| Net loss per share, basic and diluted | (0.13) | (0.01) | (0.02) | (0.02) |
| Operating cash flows before movements in working capital | (995) | (894) | (1,377) | (1,783) |
| **Non-IFRS and Other Measures** | | | | |
| Total Revenue, Land Agreement Proceeds and Interest* | 1,319 | 1,370 | 557 | 1,970 |
| Cash Operating Expenses* | (2,017) | (1,642) | (1,822) | (2,523) |
| Adjusted Net Earnings/(Loss)*(1) | 935 | (1,095) | (2,487) | (1,318) |
| Adjusted Net Earnings/(Loss) Per Share, basic and diluted* | 0.01 | (0.01) | (0.02) | (0.01) |
| Total GEOs* | 667 | 711 | 282 | 1,043 |
| **Statement of Financial Position** | | | | |
| Total assets | 690,994 | 683,180 | 677,346 | 681,848 |
| Total non-current liabilities | 166,053 | 152,089 | 145,169 | 145,116 |

(1) Adjusted Net Earnings for the year and quarter ended December 31, 2023 includes $2.3 million deferred tax recovery that was recognized as a result of convertible debt financing. An offsetting deferred tax expense of $2.3 million has been recognized directly in equity. See Note 11 of our audited annual consolidated financial statements for the year ended December 31, 2023 for further information.

Changes in net loss from quarter to quarter have been affected primarily by fluctuations in revenue based on our royalty and other interests and changes in expenses resulting from operations and corporate activity, including professional fees incurred in connection with corporate development activities, changes in fair value in short-term investment and derivatives, and impairment of royalty assets during the respective periods.

**Liquidity and Capital Resources**

| **(in thousands of dollars)** | As at December 31, 2023 ($) | As at December 31, 2022 ($) |
|---|---|---|
| Cash and cash equivalents | 1,443 | 5,847 |
| Short-term investments | 342 | 3,840 |
| Working capital (current assets less current liabilities) | 1,695 | 7,559 |
| Total assets | 690,994 | 682,410 |
| Total current liabilities | 3,851 | 3,977 |
| Total non-current liabilities | 166,193 | 144,782 |
| Shareholders' equity | 520,950 | 533,651 |

As at December 31, 2023, we had cash and cash equivalents of $1.4 million and cash, cash equivalents and marketable securities of $1.8 million. This compares to cash and cash equivalents of $5.8 million and cash, cash equivalents and marketable securities of $9.7 million at December 31, 2022. As at December 31, 2023, we had working capital (current assets less current liabilities) of $1.7 million as compared to $7.6 million as at December 31, 2022. Short-term investments consist of marketable securities held by the Company. Working capital consists of current assets, which is made up of cash and cash equivalents, short-term investments, accounts receivable and prepaids and other receivables, less current liabilities, which is made up of accounts payable and accrued liabilities.

As previously announced, in August 2022, we established our ATM Program with a syndicate of agents led by BMO Nesbitt Burns Inc., and including BMO Capital Markets Corp., H.C. Wainwright & Co. LLC, Haywood Securities Inc., Laurentian Bank Securities Inc., Laurentian Capital (USA) Inc., Raymond James Ltd. and Raymond James & Associates Inc. (collectively, the "Agents"), which allowed us to issue up to $50.0 million in GRC Shares from treasury to the public from time to time through the facilities of the NYSE. During the year ended

December 31, 2023, a total of 496,438 GRC Shares were distributed for net proceeds of $1.3 million (gross proceeds of $1.3 million). Such distributions were made to position us to complete acquisitions such as the Cozamin royalty acquisition. Such distributions were through the facilities of the NYSE. Total commissions paid to the Agents under the ATM Program were $0.03 million during the year ended December 31, 2023. The ATM Program expired on September 1, 2023, and has not been renewed as of the date hereof.

Our Credit Facility is a $25 million secured revolving credit facility and provides for an additional $10 million of availability, subject to certain conditions, under the Accordion feature. The Credit Facility has a maturity date of March 31, 2027. The exercise of the Accordion is subject to certain additional conditions and the satisfaction of financial covenants. As at December 31, 2023, the Credit Facility has a total drawn balance of $10.0 million.

On December 15, 2023, we completed the Private Placement of Debentures for gross proceeds of $40.0 million. See " – *Selected 2023 Developments*".

Our principal sources of financing to date have been the prior issuance of GRC Shares, our initial public offering in March 2021, the Credit Facility, the Private Placement of Debentures and revenue generated by our royalty and other mineral interests. We also had $1.4 million of cash and cash equivalents and $0.3 million of marketable securities as at December 31, 2023. Based on available credit under the Credit Facility and our available cash, cash equivalents, marketable securities and expected revenue, we believe that we have sufficient liquidity to meet our obligations and to finance our planned activities over the next twelve months. Over the long term, we expect to meet our obligations and finance our growth plans through revenue generated from royalty interests held, issuance of securities pursuant to equity financings and short-term or long-term loans. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. Our growth and future success is dependent on external sources of financing which may not be available on acceptable terms, or at all.

See "*Financial Instruments and Risk Management*" for more information regarding liquidity risks associated with financial instruments.

**Cash Flows**

***Year ended December 31, 2023, compared to year ended December 31, 2022***

***Operating Activities***

Net cash used in operating activities during the year ended December 31, 2023 was $6.9 million as compared to $15.8 million in the year ended December 31, 2022. Net cash used in operating activities during the year ended December 31, 2023 reflected a net loss of $26.8 million offset by non-cash items including impairment of royalty assets of $22.4 million, share-based compensation of $2.8 million, interest expenses of $1.8 million, change in fair value of derivative liability of $0.2 million, change in fair value of short-term investments of $0.3 million, depletion and depreciation charge of $1.0 million, other income of $0.01 million and deferred tax recovery of $6.2 million. Non-cash working capital changes include an increase in accounts receivable of $0.2 million, prepaid and other receivables of $1.7 million and a decrease in accounts payable and accrued liabilities of $0.01 million. The increase in prepaid and other receivables is primarily attributed to the valued added tax payment made in connection with the Cozamin acquisition of $1.2 million.

***Investing Activities***

During the year ended December 31, 2023, we made investments in royalties and other mineral interests of $38.7 million, primarily relating to the acquisition of the Cozamin royalty and Borborema investment as compared to $19.4 million in the year ended December 31, 2022, received cash proceeds from disposal of marketable securities of $3.3 million as compared to $22.2 million in the year ended December 31, 2022, received land agreement payments credited against mineral properties of approximately $1.8 million as compared to $1.7 million in the year ended December 31, 2022 and received other dividend and interest income totaling $0.07 million as compared to $0.06 million in the year ended December 31, 2022.

***Financing Activities***

During the year ended December 31, 2023, net cash provided by financing activities was $36.0 million as compared to $3.9 million in the year ended December 31, 2022, which primarily represented proceeds from distribution of GRC Shares of $1.4 million as compared to $0.6 million in the year ended December 31, 2022, net proceeds from the Debentures of $38.5 million compared to $nil in the year ended December 31, 2022, interest payment of $1.1 million as compared to $0.5 million in the year ended December 31, 2022, dividend payment of $2.6 million as compared to $5.5 million in the year ended December 31, 2022, and payment of lease obligation of $0.08 million as compared to $0.08 million in the year ended December 31, 2022.

***Year ended December 31, 2023, compared to year ended September 30, 2022***

***Operating Activities***

Net cash used in operating activities during the year ended December 31, 2023 was $6.9 million as compared to $19.3 million in the year ended September 30, 2022. Net cash used in operating activities during the year ended December 31, 2023 reflected a net loss of $26.8 million offset by non-cash items including impairment of royalty assets of $22.4 million, share-based compensation of $2.8 million, interest expenses of $1.8 million, change in fair value of derivative liability of $0.2 million, change in fair value of short-term investments of $0.3 million, depletion and depreciation charge of $1.0 million, other income of $0.01 million and deferred tax recovery of $6.2 million. Non-cash working capital changes include an increase in accounts receivable of $0.2 million, prepaid and other receivables of $1.7 million and a decrease in accounts payable and accrued liabilities of $0.01 million. The increase in prepaid and other receivables is primarily attributed to the valued added tax payment made in connection with the Cozamin acquisition of $1.2 million.

***Investing Activities***

During the year ended December 31, 2023, we made investments in royalties and other mineral interests of $38.7 million, primarily relating to the acquisition of the Cozamin royalty and Borborema investment as compared to $19.7 million in the year ended September 30, 2022, received cash proceeds from disposal of marketable securities of $3.3 million as compared to $17.7 million in the year ended September 30, 2022, received land agreement payments credited against mineral properties of approximately $1.8 million as compared to $17.7 million in the year ended September 30, 2022 and received other dividend and interest income totaling $0.07 million as compared to $nil in the year ended September 30, 2022. During the year ended September 30, 2022, we acquired cash and restricted cash for a total amount of $10.4 million from the business combination with Golden Valley and Abitibi.

***Financing Activities***

During the year ended December 31, 2023, net cash provided by financing activities was $36.0 million as compared to $5.8 million in the year ended September 30, 2022, which primarily represented proceeds from distribution of GRC Shares of $1.4 million as compared to $0.9 million in the year ended September 30, 2022, net proceeds from the Debentures of $38.5 million compared to $nil in the year ended September 30, 2022, to net drawdown of $nil on the credit facility compared to $9.4 million in the year ended September 30, 2022, interest payment of $1.1 million as compared to $0.3 million in the year ended September 30, 2022, dividend payment of $2.6 million as compared to $4.0 million in the year ended September 30, 2022, and payment of lease obligation of $0.08 million as compared to $0.06 million in the year ended September 30, 2022.

**Non-IFRS Measures**

We have included, in this document, certain performance measures, including: (i) Adjusted Net Earnings/(Loss) and Adjusted Net Earnings/(Loss) Per Share; (ii) GEOs; (iii) Total Revenue, Land Agreement Proceeds and Interest; and (iv) Cash Operating Expenses which are each non-IFRS measures. The presentation of such non-IFRS measures is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These non-IFRS measures do not have any standardized meaning prescribed by IFRS, and other companies may calculate these measures differently.

- *Adjusted Net Earnings/(Loss) and Adjusted Net Earnings/(Loss) Per Share*

Adjusted Net Earnings/(Loss) is calculated by adding land agreement proceeds credited against mineral properties, adding the pre-acquisition royalty revenue received as credited against the Cozamin purchase price and deducting the following from net income: transaction related and non-recurring general administrative expenses[(2)], share of (income)/loss and dilution income in associate, impairment, changes in fair value of derivative liabilities, short-term investments and gold-linked loan, loss on loan modification, foreign exchange gain/(loss), other income/(expense) and land agreement proceeds credited against mineral properties. Adjusted Net Earnings/(Loss) includes recognized deferred tax recovery. Adjusted Net Earnings/(Loss) Per Share, basic and diluted have been determined by dividing the Adjusted Net Earnings/(Loss) by the weighted average number of common shares for the applicable period. We included this information as management believes that they are useful measures of performance as they adjust for items which are not always reflective of the underlying operating performance of our business and/or are not necessarily indicative of future operating results. The table below provides a reconciliation of net loss to Adjusted Net Earnings/(Loss) and Adjusted Net Earnings/(Loss) Per Share, basic and diluted for the periods indicated:

(2) Transaction related, and non-recurring general administrative expenses are a supplementary financial measure comprised of operating expenses that are not expected to be incurred on an ongoing basis. During the year ended December 31, 2023, transaction related and non-recurring administrative expenses related primarily to professional fees related to changing our fiscal year-end, tax restructuring following the completion of corporate transactions, establishing a dividend reinvestment and finance programs and select corporate development activities and in the same periods of 2022, related primarily to consulting fees and professional fees associated with corporate transactions.

| (in thousands of dollars, except per share amounts) | Year ended December 31, 2023 ($) | Three months ended December 31, 2023 ($) | September 30, 2023 ($) | June 30, 2023 ($) | March 31, 2023 ($) |
|---|---|---|---|---|---|
| Net loss | (26,756) | (19,360) | (1,817) | (2,496) | (3,083) |
| Land Agreement Proceeds credited against mineral properties | 1,909 | 270 | 347 | 89 | 1,203 |
| Pre-acquisition royalty revenue credited against Cozamin purchase price | 226 | — | 226 | — | — |
| Loan interest | 33 | 33 | — | — | — |
| Transaction related and non-recurring administrative expenses | 967 | 268 | 64 | 176 | 459 |
| Share of (gain)/loss in associate | (172) | 72 | (22) | (350) | 128 |
| Dilution gain in associate | (12) | — | — | (12) | — |
| Impairment of royalties, net of taxes | 19,760 | 19,760 | — | — | — |
| Change in fair value of derivative liabilities | (242) | — | (3) | (9) | (230) |
| Change in fair value of gold-linked loan | (172) | (172) | — | — | — |
| Change in fair value of short-term investments | 264 | 45 | 142 | 135 | (58) |
| Change in fair value of embedded derivatives | (30) | (30) | — | — | — |
| Loss on loan modification | 249 | — | — | — | 249 |
| Foreign exchange (gain)/loss | 132 | 55 | (30) | 59 | 48 |
| Other income | (121) | (6) | (2) | (79) | (34) |
| Adjusted Net Earnings/(Loss) | (3,965) | 935 | (1,095) | (2,487) | (1,318) |
| Weighted average number of common shares | 144,729,662 | 145,086,763 | 144,970,285 | 144,560,621 | 144,289,573 |
| Adjusted Net Earnings/(Loss) Per Share, basic and diluted | (0.03) | 0.01 | (0.01) | (0.02) | (0.01) |

| (in thousands of dollars, except per share amounts) | Year ended December 31, 2022 ($) | Three months ended December 31, 2022 ($) | September 30, 2022 ($) | June 30, 2022 ($) | March 31, 2022 ($) |
|---|---|---|---|---|---|
| Net loss | (12,709) | (2,204) | (4,679) | (3,438) | (2,388) |
| Land Agreement Proceeds credited against mineral properties | 1,844 | 549 | 57 | 117 | 1,121 |
| Transaction related and non-recurring administrative expenses | 1,650 | 115 | — | 575 | 960 |
| Share of (gain)/loss in associate | 152 | (1) | (2) | 47 | 108 |
| Dilution gain in associate | (100) | — | — | (20) | (80) |
| Impairment of royalty, net of taxes | 3,018 | — | — | — | 3,018 |
| Change in fair value of derivative liabilities | (4,776) | (278) | 136 | (2,836) | (1,798) |
| Change in fair value of short-term investments | 51 | (1,060) | 1,359 | 3,627 | (3,875) |
| Gain on loan modification | (316) | — | (316) | — | — |
| Foreign exchange (gain)/loss | 11 | 42 | (21) | 3 | (13) |
| Other income/(expenses) | (79) | 13 | 23 | (111) | (4) |
| Adjusted Net Loss | (11,254) | (2,824) | (3,443) | (2,036) | (2,951) |
| Weighted average number of common shares | 136,803,625 | 143,913,069 | 134,822,619 | 134,372,502 | 134,019,359 |
| Adjusted Net Loss Per Share, basic and diluted | (0.08) | (0.02) | (0.03) | (0.02) | (0.02) |

| (in thousands of dollars, except per share amounts) | Year ended September 30, 2022 ($) | Three months ended September 30, 2022 ($) | June 30, 2022 ($) | March 31, 2022 ($) | December 31, 2021 ($) |
|---|---|---|---|---|---|
| Net loss | (17,346) | (4,679) | (3,438) | (2,388) | (6,841) |
| Land Agreement Proceeds credited against mineral properties | 1,780 | 57 | 117 | 1,121 | 485 |
| Transaction related and non-recurring administrative expenses | 5,593 | — | 575 | 960 | 4,058 |
| Share of (gain)/loss in associate | 296 | (2) | 47 | 108 | 143 |
| Dilution gain in associate | (100) | — | (20) | (80) | — |
| Impairment of royalty, net of taxes | 3,018 | — | — | 3,018 | — |
| Change in fair value of derivative liabilities | (4,588) | 136 | (2,836) | (1,798) | (90) |
| Change in fair value of short-term investments | 569 | 1,359 | 3,627 | (3,875) | (542) |
| Gain on loan modification | (316) | (316) | — | — | — |
| Foreign exchange (gain)/loss | (54) | (21) | 3 | (13) | (23) |
| Other income/(expenses) | (337) | 23 | (111) | (4) | (245) |
| Adjusted Net Loss | (11,485) | (3,443) | (2,036) | (2,951) | (3,055) |
| Weighted average number of common shares | 128,232,364 | 134,822,619 | 134,372,502 | 134,019,359 | 109,907,519 |
| Adjusted Net Loss Per Share, basic and diluted | (0.09) | (0.03) | (0.02) | (0.02) | (0.03) |

- *GEOs*

Total GEOs are determined by dividing Total Revenue, Land Agreement Proceeds and Interest by the average gold prices for the applicable period:

| **(in thousands of dollars, except Average Gold Price/oz and GEOs)** | Average Gold Price/oz | Total Revenue, Land Agreement Proceeds and Interest | GEOs |
|---|---|---|---|
| For three months ended March 31, 2022 | 1,877 | 1,759 | 937 |
| For three months ended June 30, 2022 | 1,874 | 2,024 | 1,080 |
| For three months ended September 30, 2022 | 1,729 | 923 | 534 |
| For three months ended December 31, 2022 | 1,731 | 1,131 | 653 |
| For year ended December 31, 2022 | 1,822 | 5,837 | 3,204 |
| | | | |
| For three months ended December 31, 2021 | 1,796 | 1,018 | 567 |
| For three months ended March 31, 2022 | 1,877 | 1,759 | 937 |
| For three months ended June 30, 2022 | 1,874 | 2,024 | 1,080 |
| For three months ended September 30, 2022 | 1,729 | 923 | 534 |
| For year ended September 30, 2022 | 1,836 | 5,724 | 3,118 |
| | | | |
| For three months ended March 31, 2023 | 1,889 | 1,970 | 1,043 |
| For three months ended June 30, 2023 | 1,978 | 557 | 282 |
| For three months ended September 30, 2023 | 1,927 | 1,370 | 711 |
| For three months ended December 31, 2023 | 1,977 | 1,318 | 667 |
| For year ended December 31, 2023 | 1,929 | 5,215 | 2,703 |

- *Total Revenue, Land Agreement Proceeds and Interest*

Total Revenue, Land Agreement Proceeds and Interest are determined by adding land agreement proceeds credited against mineral properties, the pre-acquisition royalty revenue credited against the Cozamin purchase price to total revenue and the gold-linked loan interest. We have included this information as management believes certain investors use this information to evaluate our performance in comparison to other gold royalty companies in the precious metal mining industry. Below is a reconciliation of our Total Revenue, Land Agreement Proceeds and Interest to total revenue for the three and year ended December 31, 2023 and 2022, respectively:

| | **For three months ended** | | **For the year ended** | | |
|---|---|---|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | December 31, 2022 ($) | December 31, 2023 ($) | December 31, 2022 ($) | September 30, 2022 ($) |
| Royalty | 758 | 435 | 1,964 | 3,037 | 3,108 |
| Pre-acquisition royalty revenue credited against Cozamin purchase price | — | — | 226 | — | — |
| Advance minimum royalty and pre-production royalty | 137 | 48 | 646 | 492 | 386 |
| Land agreement proceeds | 391 | 648 | 2,347 | 2,308 | 2,230 |
| Loan interest | 33 | — | 33 | — | — |
| Total Revenue, Land Agreement Proceeds and Interests | 1,319 | 1,131 | 5,216 | 5,837 | 5,724 |
| Land agreement proceeds credited against mineral properties | (270) | (549) | (1,909) | (1,844) | (1,780) |
| Pre-acquisition royalty revenue credited against Cozamin purchase price | — | — | (226) | — | — |
| Loan interest | (33) | — | (33) | — | — |
| Revenue | 1,016 | 582 | 3,048 | 3,993 | 3,944 |

- *Cash Operating Expenses*

Cash Operating Expenses are determined by adding the impact of non-cash expenses, revenue, other income and tax expenses or recovery to net loss. We have included this information as management believes certain investors use this information to evaluate our performance in comparison to other gold royalty companies in the precious metal mining industry. The table below provides a reconciliation of net loss to Cash Operating Expenses.

| | **Year ended** | **Three months ended** | | | |
|---|---|---|---|---|---|
| **(in thousands of dollars)** | December 31, 2023 ($) | December 31, 2023 ($) | September 30, 2023 ($) | June 30, 2023 ($) | March 31, 2023 ($) |
| Net loss | (26,756) | (19,360) | (1,817) | (2,496) | (3,083) |
| Revenue | (3,048) | (1,016) | (797) | (468) | (767) |
| Other income | (121) | (6) | (2) | (79) | (34) |
| Depletion | 943 | 249 | 373 | 204 | 117 |
| Depreciation | 70 | 20 | 13 | 16 | 21 |
| Share-based compensation | 2,806 | 536 | 562 | 828 | 880 |
| Share of (gain)/loss in associate | (172) | 72 | (22) | (350) | 128 |
| Dilution gain in associate | (12) | — | — | (12) | — |
| Impairment of royalties | 22,379 | 22,379 | — | — | — |
| Change in fair value of derivative liabilities | (242) | — | (3) | (9) | (230) |
| Change in fair value of gold-linked loan | (172) | (172) | — | — | — |
| Change in fair value of short-term investments | 264 | 45 | 142 | 135 | (58) |
| Change in fair value of embedded derivatives | (30) | (30) | — | — | — |
| Loss on loan modification | 249 | — | — | — | 249 |
| Foreign exchange (gain)/loss | 132 | 55 | (30) | 59 | 48 |
| Interest expense | 1,839 | 814 | 403 | 328 | 294 |
| Tax recovery (expenses) | (6,133) | (5,603) | (464) | 22 | (88) |
| Cash Operating Expenses | (8,004) | (2,017) | (1,642) | (1,822) | (2,523) |

| | **Year ended** | **Three months ended** | | | |
|---|---|---|---|---|---|
| **(in thousands of dollars)** | December 31, 2022 ($) | December 31, 2022 ($) | September 30, 2022 ($) | June 30, 2022 ($) | March 31, 2022 ($) |
| Net loss | (12,709) | (2,204) | (4,679) | (3,438) | (2,388) |
| Revenue | (3,993) | (582) | (866) | (1,907) | (638) |
| Other income | (79) | 13 | 23 | (111) | (4) |
| Depletion | 1,685 | 216 | (56) | 1,037 | 488 |
| Depreciation | 92 | 29 | 27 | 21 | 15 |
| Share-based compensation | 3,323 | 1,078 | 394 | 705 | 1,146 |
| Share of (gain)/loss in associate | 152 | (1) | (2) | 47 | 108 |
| Dilution gain in associate | (100) | — | — | (20) | (80) |
| Impairment of royalty | 3,821 | — | — | — | 3,821 |
| Change in fair value of derivative liabilities | (4,776) | (278) | 136 | (2,836) | (1,798) |
| Change in fair value of short-term investments | 51 | (1,060) | 1,359 | 3,627 | (3,875) |
| Loss on loan modification | (316) | — | (316) | — | — |
| Foreign exchange (gain)/loss | (32) | (1) | (21) | 3 | (13) |
| Interest expense | 918 | 285 | 259 | 269 | 105 |
| Tax recovery (expenses) | (617) | (435) | 485 | (15) | (652) |
| Cash Operating Expenses | (12,580) | (2,940) | (3,257) | (2,618) | (3,765) |

| (in thousands of dollars) | Year ended September 30, 2022 ($) | Three months ended September 30, 2022 ($) | June 30, 2022 ($) | March 31, 2022 ($) | December 31, 2021 ($) |
|---|---|---|---|---|---|
| Net loss | (17,346) | (4,679) | (3,438) | (2,388) | (6,841) |
| Revenue | (3,944) | (866) | (1,907) | (638) | (533) |
| Other income | (337) | 23 | (111) | (4) | (245) |
| Depletion | 1,756 | (56) | 1,037 | 488 | 287 |
| Depreciation | 72 | 27 | 21 | 15 | 9 |
| Share-based compensation | 3,146 | 394 | 705 | 1,146 | 901 |
| Share of (gain)/loss in associate | 296 | (2) | 47 | 108 | 143 |
| Dilution gain in associate | (100) | — | (20) | (80) | — |
| Impairment of royalty | 3,821 | — | — | 3,821 | — |
| Change in fair value of derivative liabilities | (4,588) | 136 | (2,836) | (1,798) | (90) |
| Change in fair value of short-term investments | 569 | 1,359 | 3,627 | (3,875) | (542) |
| Loss on loan modification | (316) | (316) | — | — | — |
| Foreign exchange (gain)/loss | (54) | (21) | 3 | (13) | (23) |
| Interest expense | 633 | 259 | 269 | 105 | — |
| Tax recovery (expenses) | (15) | 485 | (15) | (652) | 167 |
| Cash Operating Expenses | (16,407) | (3,257) | (2,618) | (3,765) | (6,767) |

**Contractual Obligations**

As at December 31, 2023, we have the following contractual obligations, including payments due for each of the next five years thereafter:

| | Payments Due by Period | | | | |
|---|---|---|---|---|---|
| (in thousands of dollars) | Total | Less than 1 year | 1 – 3 years | 4 – 5 years | After 5 years |
| Lease obligation | $380 | $89 | $262 | $29 | — |
| Revolving credit facility - principal | $10,286 | — | — | $10,286 | — |
| Revolving credit facility - interest | $1,500 | 1,107 | $393 | — | — |
| Total | $12,166 | $1,196 | $655 | $10,315 | — |

**Off-Balance Sheet Arrangements**

At December 31, 2023, we did not have any off-balance sheet arrangements.

**Transactions with Related Parties**

***Related Party Transactions***

During the years ended December 31, 2023 and September 30, 2022, we incurred $0.004 million and $0.1 million in technology expenses for website design, hosting and maintenance service provided by Blender Media Inc. ("**Blender**"), respectively. Blender is controlled by a family member of Amir Adnani, a former director of the Company. On October 12, 2021, we issued 120,000 GRC Shares to Blender as compensation for the expanded scope of digital marketing services to be provided by Blender for a contract term ending on June 27, 2022. We recognized share-based compensation expense of $0.6 million in respect of this contract, during the year ended September 30, 2022. No expense was recognized during the three months ended December 31, 2022.

During the year ended December 31, 2023, we incurred interest expense of $0.2 million to QRC on Debentures held by QRC. Warren Gilman, director of the Company, is the chairman and chief executive officer of QRC.

***Transactions with Key Management Personnel***

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity. Total management salaries and directors' fees incurred for services provided by our key management personnel for the year ended December 31, 2023, three months ended December 31, 2023 and year ended September 30, 2022 are as follows:

| (in thousands of dollars) | For the year ended December 31, 2023 ($) | For the three months ended December 31, 2022 (transition period) ($) | For the year ended September 30, 2022 ($) |
|---|---|---|---|
| Management salaries | 1,332 | 275 | 1,453 |
| Directors' fees | 332 | 102 | 442 |
| Share-based compensation | 1,701 | 788 | 1,628 |
| | 3,365 | 1,165 | 3,523 |

**Critical Accounting Estimates and Judgments**

The preparation of financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, income and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

Management is required to make judgements in the application of the Company's accounting policies. The significant accounting policy judgements relevant to the current period are as follows:

- The assessment of impairment of royalty and other mineral interests requires the use of judgments, when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test. When assessing whether there are indicators of impairment, management uses its judgment in evaluating the indicators such as significant changes in future commodity prices, discount rates, foreign exchange rates, taxes, operator reserve and resource estimates or other relevant information received from the operators that indicates production from royalty interests may be deferred, will not likely not occur or may be significantly reduced in the future.
- The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve judgment to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determine the primary economic environment.

Information about significant sources of estimation uncertainty are described below.

- We estimate the attributable reserves and resources relating to the mineral properties underlying the royalties that are held by the Company. Reserves and resources are estimates of the amount of minerals that can be economically and legally extracted from the mining properties in which the Company has royalty interests, adjusted where applicable to reflect the our percentage entitlement to minerals produced from such mines. The public disclosures of reserves and resources that are released by the operators of the interests involve assessments of geological and geophysical studies and economic data and the reliance on a number of assumptions, including commodity prices and production costs. The estimates of reserves and resources may change based on additional knowledge gained subsequent to the initial assessment. Changes in the reserve or resource estimates may impact the depletion calculation and carrying value of the Company's royalty interests.
- When impairment indication of royalty and other mineral interests exists, the recoverable amount of the interest is estimated in order to determine the extent of the impairment (if any). The recoverable amount is the higher of the FVLCD and value in use. The assessment of the FVLCD of royalty and other mineral interests requires the use of estimates and assumptions for long-term commodity prices, production start dates, discount rates, mineral reserve/resource conversion, purchase multiples and the associated production implications. In addition, the Company may use other approaches in determining FVLCD which may include estimates related to (i) dollar value per ounce of mineral reserve/resource; (ii) cash-flow multiples; and (iii) market capitalization of comparable assets. Changes in any of the estimates used in determining the recoverable amounts of the royalty and other mineral interests could impact the impairment (or reversal of impairment) analysis.

- Our gold-linked loan is carried at fair value at each period end. In order to calculate the fair value at year end, the Company uses a discounted cash flow model and is required to make estimates and assumptions on risk-free interest rate, calibrated credit spread, long-term gold price and volatility of gold. Changes to these assumptions may impact the fair value of the asset at period end.

**Financial Instruments and Risk Management**

Our financial instruments consist of cash and cash equivalents, short-term and long-term investments, accounts receivable, accounts payable and accrued liabilities, lease obligation, government and bank loan, and derivative liabilities. Our short and long-term investments are initially recorded at fair value and subsequently revalued to their fair market value at each period end based on inputs such as quoted equity prices. The fair value of our other financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short term to maturity. Government and bank loan, and lease obligation are measured at amortized cost. The fair value of the government and bank loan and lease obligation approximate their carrying values as their interest rates are comparable to current market rates.

***Financial risk management objectives and policies***

The financial risk arising from our operations are credit risk, liquidity risk, currency risk, equity price risk and interest rate risk. These risks arise from the normal course of operations and all transactions undertaken are to support our ability to continue as a going concern. The risks associated with financial instruments and the policies on how we mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third-party to a financial instrument fails to meet its contractual obligations. Our credit risk is primarily associated with our bank balances and accounts receivable. We mitigate credit risk associated with our bank balances by holding cash with Schedule I chartered banks in Canada and their US affiliates. Our maximum exposure to credit risk is equivalent to the carrying value of our cash and cash equivalents and accounts receivable. In order to mitigate our exposure to credit risk, we closely monitor our financial assets.

Liquidity risk

Liquidity risk is the risk that we will not be able to settle or manage our obligations associated with financial liabilities. To manage liquidity risk, we closely monitor our liquidity position and ensure we have adequate sources of funding to finance our projects and operations. Our working capital (current assets less current liabilities) as at December 31, 2023 was $1.7 million as compared to $7.6 million as at December 31, 2022. Our accounts payable and accrued liabilities are expected to be realized or settled, respectively, within a one-year period.

Our future profitability will be dependent on the royalty income to be received from mine operators. Royalties are based on a percentage of the minerals, or the products produced, or revenue or profits generated from the property which is typically dependent on the prices of the minerals the property operators are able to realize. Mineral prices are affected by numerous factors such as interest rates, exchange rates, inflation or deflation and global and regional supply and demand. In managing liquidity risk, we consider the amount available under the Amended Facility, anticipated cash flows from operating activities and our holding of cash and short-term investments. We believe we have the adequate liquidity to meet our obligations and to finance our planned activities.

Currency risk

We are exposed to foreign exchange risk when we undertake transactions and hold assets and liabilities in currencies other than our functional currency. We currently do not engage in foreign exchange currency hedging. The currency risk on our cash and cash equivalents, short-term investments, accounts payable and accrued liabilities and derivative liabilities are minimal.

Equity price risk

We are exposed to equity price risk associated with our investments in other mining companies. Our short-term investments consisting of common shares are exposed to significant equity price risk due to the potentially volatile and speculative nature of the businesses in which the investments are held. Based on the short-term investments held by us as at December 31, 2023, a 10% change in the market price of these investments would have an impact of approximately $0.03 million on net loss. We are not exposed to significant equity price risk related to our marketable securities.

Interest rate risk

Our exposure to interest rate risk arises from the impact of interest rates on our cash and secured revolving credit facility, which bear interest at fixed or variable rates. The interest rate risks on our cash balances are minimal. Our secured revolving credit facility bears interest at a rate determined by reference to the U.S. dollar Base Rate plus a margin of 3.00% or Adjusted Term SOFR plus a margin of 4.00%, as applicable and an increase (decrease) of 10 basis point in the applicable rate of interest would not have a significant impact on the net loss for the year ended December 31, 2023. Our lease liability is determined using the interest rate implicit in the lease and an increase (decrease) of 10 basis points would not have a significant impact on the net loss for the year ended December 31, 2023.

**Outstanding Share Data**

As at the date hereof, we have145,669,046 GRC Shares, 2,010,922 restricted share units and7,766,211 share options outstanding. In addition, there were warrants to purchase 2,430,000 common shares that were issued to holders of warrants of Ely Gold Royalties Inc. (the "**Ely Warrant**s") as at the date hereof. Such warrants represent the right to acquire, on valid exercise thereof (including payment of the applicable exercise price), 0.2450 of a GRC Share plus C$0.0001. The Ely Warrants are exercisable into a total of 595,350 GRC Shares as of the date hereof.

**Disclosure Controls and Procedures and Internal Control over Financial Reporting**

***Disclosure Controls and Procedures***

*Evaluation of disclosure controls and procedures.* As of the end of the period covered by this report, an evaluation was carried out under the supervision of and with the participation of the Company's management, including the Company's principal executive officer and principal financial officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act). Based on that evaluation, the Company's principal executive officer and principal financial officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to the Company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

It should be noted that while the Company's principal executive officer and principal financial officer believe that the Company's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the Company's disclosure controls and procedures or internal control over financial reporting will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute assurance that the objectives of the control system are met.

***Internal Control Over Financial Reporting***

*Management's Annual Report on Internal Control Over Financial Reporting.* The Company's management, including the Company's principal executive officer and principal financial officer, is responsible for establishing and maintaining adequate internal control over the Company's internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management (with the participation of the principal executive officer and principal financial officer) conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of December 31, 2023. This evaluation was based on the criteria set forth in the 2013 Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 COSO Framework). Based on its assessment, management has concluded that the Company's internal control over financial reporting was effective as at December 31, 2023.

*Attestation report of the registered public accounting firm*. This Form 20-F does not include an attestation report of the Company's registered public accounting firm. In accordance with the United States Jumpstart Our Business Startup Act (the "JOBS Act"), the Company qualifies as an "emerging growth company" (an "EGC"), which entitles the Company to take advantage of certain exemptions from various reporting requirements. Specifically, the JOBS Act defers the requirement to have the Company's independent auditor assess the Company's internal controls over financial reporting under Section 404(b) of the Sarbanes-Oxley Act. As such, the Company is exempted from the requirement to include an auditor attestation report in this Annual Report for so long as the Company remains an EGC. We are neither an accelerated filer nor a large accelerated filer, as such terms are defined in Rule 12b-2 under the Exchange Act, and therefore are also exempted from the requirement to include an attestation report of our independent registered public accounting firm.

*Changes in internal control over financial reporting*. During the period from January 1, 2023 to December 31, 2023, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**Forward-looking Statements**

Certain statements contained in this MD&A constitute "forward-looking information" within the meaning of Canadian securities laws and "forward-looking statements" within the meaning of securities laws in the United States (collectively, "**Forward-Looking Statements**"). These statements relate to the expectations of management about future events, results of operations and the Company's future performance (both operational and financial) and business prospects. All statements other than statements of historical fact are Forward-Looking Statements. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "target", "aim", "pursue" "potential", "objective" and "capable" and the negative of these terms or other similar expressions are generally indicative of Forward-Looking

Statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such Forward-Looking Statements. No assurance can be given that these expectations will prove to be correct and such Forward-Looking Statements should not be unduly relied on. These statements speak only as of the date of this MD&A. In addition, this MD&A may contain Forward-Looking Statements attributed to third-party industry sources. Without limitation, this MD&A contains Forward-Looking Statements pertaining to the following:

- our plans and objectives, including its acquisition and growth strategy;
- our future financial and operational performance, including expectations regarding projected results of operations, including forecasted Total Revenues, Land Agreement Proceeds and Interest and Costs and Operating Expenses;
- royalty and other payments to be made to the Company by the owners and operators of the projects underlying the Company's royalties and other interests;
- expectations regarding the royalty and other interests of the Company;
- the plans and expectations of the operators of properties where the Company owns royalty interests;
- estimates of mineral reserves and mineral resources on the projects in which the Company has royalty interests;
- estimates regarding future revenue, expenses and needs for additional financing; and
- adequacy of capital and financing needs.

These Forward-Looking Statements are based on opinions, estimates and assumptions in light of the Company's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company currently believes are appropriate and reasonable in the circumstances, including that:

- the public disclosures of the operators regarding the properties underlying the Company's interests are accurate, including that such operators will meet their disclosed production targets and expectations;
- current gold, base metal and other commodity prices will be sustained, or will improve;
- the proposed development of the Company's royalty projects will be viable operationally and economically and will proceed as expected;
- any additional financing required by the Company will be available on reasonable terms; and
- operators of the properties where the Company holds royalty interests will not experience any material accident, labor dispute or failure of equipment.

Actual results could differ materially from those anticipated in these Forward-Looking Statements as a result of the following risk factors, among others:

- we own passive interests in mining properties, and it is difficult or impossible for us to ensure properties are developed or operated in our best interest;
- a substantial majority of our royalty and other interests are on non-producing properties, which may never achieve production;
- our revenue is subject to volatility in gold and other commodity prices;
- the volatility in gold and other commodity prices may have an adverse impact on the value of our royalty and similar interests and on the payments we receive thereunder in the future;
- we have limited or no access to data or the operations underlying our existing interests;
- a significant portion of our revenues is derived from a small number of operating properties;
- the value and potential revenue from our royalty interests are subject to many of the risks faced by owners and operators of the properties underlying our interests;
- our business, financial condition and results of operations could be adversely affected by market and economic conditions;
- we may enter into acquisitions or other material transactions at any time;
- current and future indebtedness could adversely affect our financial condition and impair our ability to operate our business;

- we may require additional financing in the future to fund our growth strategy and maintain our operations;
- our future growth is, to an extent, dependent on our acquisition strategy;
- our business and revenues could be adversely affected by problems concerning the existence, validity, enforceability, terms or geographic extent of our royalty interests, and our interests may similarly be materially and adversely impacted by change of control, bankruptcy or the insolvency of operators;
- if title to mining claims, concessions, licenses, leases or other forms of tenure is not properly maintained by the operators, or is successfully challenged by third parties, our existing royalty interests could be found to be invalid;
- operators may interpret our existing or future royalty or other interests in a manner adverse to us or otherwise may not abide by their contractual obligations, and we could be forced to take legal action to enforce our contractual rights;
- certain of our royalty interests are subject to buy-back or other rights of third-parties;
- mine development and operation is capital intensive and any inability of the operators of the properties underlying our existing or future interests to meet their liquidity needs may adversely affect the value of, and revenue from, such interests;
- estimates of mineral resources and mineral reserves disclosed by the owners and operators of the properties underlying our royalty and other interests may be subject to significant revision;
- depleted mineral reserves may not be replenished by the operators of the properties underlying our interests;
- we may enter into transactions with related parties and such transactions present potential conflicts of interests;
- regulations and political or economic developments in any of the jurisdictions where the properties in which we hold or may hold royalties, streams or similar interests are located;
- opposition from Indigenous peoples may adversely impact the projects underlying our interests;
- environmental risks in the jurisdictions where projects underlying our interests are located;
- our operations and those of the owners and operators of the properties underlying our interests may be negatively impacted by the effects of the spread of illnesses or other public health emergencies;
- our dependence on key management personnel;
- certain of our directors and officers also serve as directors and officers of other companies in the mining sector, which may cause them to have conflicts of interest;
- we hold investments in a concentrated number of equity securities and the fair values thereof are subject to loss in value;
- a significant disruption to our information technology systems or those of our third-party service providers could adversely affect our business and operating results
- potential litigation affecting the properties that we have royalty interests in could have a material adverse effect on us;
- we may use certain financial instruments that are subject to a number or inherent risks; and
- the other factors discussed under "*Item 3. Key Information – D. Risk Factors*" in this Annual Report and other disclosure documents, which are available under the Company's profile at www.sedarplus.ca and www.sec.gov.

This list of factors should not be construed as exhaustive. We do not intend to and does not assume any obligations to update Forward-Looking Statements, except as required by applicable law.

Please see *"Item 3. Key Information – D. Risk Factors"* in this Annual Report for further information regarding key risks faced by the Company.

**Technical Information**

Except where otherwise stated, the disclosure herein relating to the properties underlying our royalty and other interests is based on information publicly disclosed by the owners and operators of such properties. Specifically, as a royalty holder, we have limited, if any, access to properties included in our asset portfolio. Additionally, we may from time to time receive operating information from the owners and operators of the properties, which we are not permitted to disclose to the public. We are dependent on the operators of the properties and their Qualified Persons to provide information to us or on publicly available information to prepare disclosure pertaining to properties and operations on the properties on which we hold interests and generally will have limited or no ability to independently verify such information. Although we do not currently have any knowledge that such information may not be accurate, there can be no assurance that such third-party information is complete or accurate.

The scientific and technical information contained in this document relating to our royalty and other interests has been reviewed and approved by Alastair Still, P.Geo., who is our Director of Technical Services, a Qualified Person as such term is defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* and a member of Professional Geoscientists Ontario and Engineers and Geoscientists British Columbia and holder of a Special Authorization from the Ordre des Géologues du Québec.

Please see *"Cautionary Note Regarding Mineral Reserve and Resource Estimates"* in this Annual Report for further information regarding our technical information disclosure.

**Additional Information**

Additional information concerning our business is available under our profile at the www.sec.gov and www.sedarplus.ca.