



GOLD ROYALTY CORP.

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

March 27, 2023

Gold Royalty Corp.
Management's Discussion and Analysis
For the three months ended December 31, 2022

The following discussion and analysis of our financial condition and results of operations should be read together with Item 3.A. "Selected Consolidated Financial Data" of our Annual Report on Form 20-F for the year ended September 30, 2022 (the "Annual Report" and our consolidated financial statements and related notes appearing elsewhere in this Transition Report. Some of the information contained in this discussion and analysis or set forth elsewhere in this Transition Report and in our Annual Report, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those set forth in the Item 3.D. "Risk Factors" section of our Annual Report, our actual results could differ materially from the results described in or implied by these forward-looking statements. Please also see the section titled "Cautionary Statement Regarding Forward-Looking Statements."

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 three months ended December 31, 2022, should be read in conjunction with our audited consolidated financial statements and the notes thereto for the three months ended December 31, 2022.

Our financial statements for the three months ended December 31, 2022, have been prepared in accordance with International Financial Reporting 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, 2023. 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" and "GRC" mean Gold Royalty Corp., together with its subsidiaries unless the context otherwise requires.

Change of Fiscal Year End

In December 2022, our board of directors approved a change in our fiscal year end from September 30 to December 31. As a result, this MD&A includes financial information for the transition period from October 1, 2022, through December 31, 2022. Prior to the three months ended December 31, 2022 our fiscal year ended on September 30. In this transition report on Form 20-F (the "Transition Report"), we include financial results for the three months transition period ended December 31, 2022, compared to the financial results for the three months ended December 31, 2021.

Business Overview

We are a precious metals focused royalty company offering creative financing solutions to the metals and mining industry. Our diversified portfolio includes 216 royalties across properties of various stages, including 7 royalties on production stage properties.

Our head office and principal address is located at 1030 West Georgia Street, Suite 1830, Vancouver, British Columbia, V6E 2Y3, Canada. Our common shares and common share purchase warrant are listed on the NYSE American under the symbols "GROY" and "GROY.WS", respectively.

Business Strategy

Our mission is 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 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.

Summary of Results

The following table sets forth selected financial information for the three months transition period ended December 31, 2022, the three month ended December 31, 2021, and the most recently completed fiscal years ended September 30, 2022 and 2021, respectively:

(in thousands of dollars, except per share amounts)	Three months ended		Year ended	
	December 31, 2022	December 31, 2021	September 30, 2022	September 30, 2021
	(\$)	(\$)	(\$)	(\$)
Total revenue	582	533	3,944	192
Net loss	(2,204)	(6,841)	(17,346)	(15,006)
Net loss per share, basic and diluted	(0.02)	(0.06)	(0.14)	(0.45)
Dividends declared per share	0.01	—	0.03	—
<i>Non-IFRS and Other Measures</i>				
Total Revenue and Option Proceeds*	1,131	1,018	5,724	222
Adjusted Net Loss*	(3,373)	(3,540)	(12,462)	(9,338)
Adjusted Net Loss Per Share, basic and diluted*	(0.02)	(0.03)	(0.10)	(0.28)
Total Gold Equivalent Ounces ("GEOs")*	336	297	2,156	104
Cash flow used in operating activities, excluding changes in non-cash working capital*	(2,315)	(5,894)	(12,169)	(9,088)
Cash flow used in operating activities, excluding changes in non-cash working capital and transaction related expenses*	(2,200)	(1,836)	(6,576)	(5,853)

* See "Non-IFRS Measures".

Fiscal Highlights for three months ended December 31, 2022

Summary of Quarterly Highlights

- Total Revenue and Option Proceeds of \$1.1 million for the three months ended December 31, 2022, an 11% increase from the three months ended December 31, 2021. "Total Revenue and Option Proceeds is a non-IFRS Measure. See "Non-IFRS Measures".
- With approximately \$35 million in available liquidity, inclusive of a \$15 million accordion feature in its credit facility (available subject to certain additional conditions), the Company is positioned well for further growth.
- The Company forecasts between \$5.5 million and \$6.5 million in Total Revenues and Option Proceeds in 2023.
- Gold Royalty now holds 216 royalties with a focus on the top ranked mining jurisdictions in the Americas (Fraser Institute Annual Survey of Mining Companies 2021 Investment Attractiveness Index).
- Gold Royalty declared its fifth consecutive quarterly dividend in 2022, yielding over 1.8% at current share prices.

Select royalty portfolio highlights include:

- Odyssey Project (3.0% NSR over the northern portion of the project): On February 16, 2023, Agnico Eagle Mines Limited ("Agnico Eagle") disclosed that the Canadian Malartic mine and the Odyssey mine will now form the Canadian Malartic Complex with initial production from the underground Odyssey mine expected to commence in March 2023, with production ramping up through the remainder of the year. Infill drilling continues to expand and upgrade mineral resources. 102,000 metres of exploration drilling is planned for 2023 at Odyssey with four key objectives: conversion of resources to higher confidence at East Gouldie; testing the extents of East Gouldie; converting extensions of the Odyssey South deposit; and further exploration of additional internal zones at Odyssey.
- Côte Gold Project (0.75% NSR royalty over the southern portion of the project): On February 16, 2023, IAMGOLD Corporation ("IAMGOLD") disclosed that, as of December 31, 2022, the Côte Gold project was estimated to be approximately 73% complete. It further disclosed that IAMGOLD believes that the aggregate proceeds from the sale of its interest in the Rosebel mine, the anticipated proceeds from the sale of the Bambouk assets and funds to be provided by Sumitomo under the

joint venture for the mine will meet the estimated remaining funding requirements for the completion of construction at the Côté Gold Project based on the current schedule and estimate. IAMGOLD further stated that the Côté Gold project is expected to commence production in early 2024 when it is expected to become Canada's third largest gold mine by production.

- Ren Project (1.5% NSR royalty and 3.5% NPI): On February 15, 2023, Barrick Gold Corporation ("**Barrick**") announced its 2022 results, including a corporate presentation that highlighted an increase in inferred resources at Ren and stated that growth is expected to continue in 2023.
- Fenelon Gold Project (2.0% NSR royalty over the majority of the project): On January 17, 2023 Wallbridge Mining Company Limited ("**Wallbridge**") announced an updated mineral resource estimate for the Fenelon Gold project. The updated mineral resource estimate is expected to form the foundation for Wallbridge's upcoming preliminary economic assessment of Fenelon, which is the second quarter of 2023.
- Granite Creek Mine Project (10.0% NPI): On March 14, 2023, i-80 provided an update and recap of progress at the Granite Creek Mine Project during the 2022. Multiple underground levels have been developed, especially on the Ogee Zone, and i-80 continued to extend the decline to depth, with the goal of initiating access to the new South Pacific Zone located immediately below and to the north of the underground mine workings. i-80 targets to complete underground drilling and bring the newly discovered South Pacific Zone into the Granite Creek mine plan in 2023. In the upper parts of the mine, high-grade gold mineralization was being defined in the Otto, Adam Peak and Range Front horizons, while from the lower levels drilling was focused on defining mineralization in the Ogee Zone that is expected to be the primary zone in the near future.
- Jerritt Canyon Mine (0.5% NSR royalty & PTR): On March 20, 2023 First Majestic announced it is taking action to reduce overall costs by reducing investments, temporarily suspending all mining activities and reducing its workforce at Jerritt Canyon effective immediately. During the suspension, First Majestic intends to process approximately 45,000 tonnes of aboveground stockpiles through the plant. Exploration activities are expected to also continue throughout 2023 with several additional plans for optimization of the asset. As a result of the suspension, First Majestic's previous production and cost guidance for Jerritt Canyon can no longer be relied upon. First Majestic's revised consolidated production and cost guidance, including capital investments, are expected to be published in July. Gold Royalty notes that Jerritt Canyon accounts for less than 2% of its portfolio net asset value based on consensus estimates.

Selected Developments

The following is a description of selected developments respecting our business since the beginning of the three months ended December 31, 2022. See also "*Selected Asset Updates*" for information regarding recent developments respecting the selected projects in which we hold royalty interests.

Val d'Or Mining Royalties and Strategic Alliance

On December 1, 2022, through our subsidiaries, we entered into an agreement (the "**VZZ Agreement**") with Val d'Or Mining Corporation ("**VZZ**"), whereby, among other things, our subsidiary Golden Valley Mines and Royalties Ltd. ("**Golden Valley**") would transfer to VZZ interests in 12 prospective properties held by it in exchange for royalties thereon. The subject properties are located in Québec and Ontario. The transactions under the VZZ Agreement were completed in January 2023, pursuant to which Golden Valley:

- divested mineral rights and other interests to VZZ and retained a 0.5% to 1.0% NSR royalty on the following properties located in Québec and Ontario: Bogside, Bogside NW, Cheechoo B East, Island 27, Matachewan, Munro, North Contact, Recession Larder, Riverside, Sharks, Smokehead and Titanic;
- assigned to VZZ certain mineral rights and interests under an option agreement with Eldorado Gold (Québec) Inc. and retained a 1.5% NSR royalty on the Claw Lake, Cook Lake and Murdoch Creek properties in Ontario and the Perestroika Prospect in Québec; and
- retained a right of first refusal on any royalty or similar interest that VZZ intends to sell, transfer or otherwise dispose of. Such right of first refusal is subject to our and our affiliates holding at least 10% of the outstanding common shares of VZZ. As of the date of this Transition Report, we own approximately 35% of the outstanding common shares of VZZ.

Royalty Referral and Strategic Alliance

On December 1, 2022, we entered into a strategic alliance with International Prospect Ventures Ltd. ("**IZZ**"), which provides us with a right of first refusal on any royalty or similar interest sold by IZZ in Australia. The strategic alliance also includes a royalty referral arrangement which will provide us with the opportunity to acquire certain royalties identified by IZZ in Australia in consideration for which IZZ will retain an interest in the underlying royalty on a carried-basis. The strategic alliance, including the royalty referral arrangement and right of first refusal, are subject to us and our affiliates holding at least 10% of the outstanding common shares of IZZ. As of the date of this Transition Report, we own approximately 11% of the outstanding common shares of IZZ.

Expanded Revolving Credit Facility

On February 13, 2023, we announced an amended and restated credit agreement with the Bank of Montreal and the National Bank of Canada to expand its existing secured revolving credit facility by \$10 million to \$35 million. The expanded credit facility consists of a \$20 million secured revolving credit facility (the “**Facility**”), with an accordion feature providing for an additional \$15 million of availability, as further described below.

The Facility, secured against the assets of the Company, will be available for general corporate purposes, acquisitions and investments, subject to certain limitations. Amounts drawn on the Facility bear interest at a rate determined by reference to the U.S. dollar Base Rate plus a margin of 3.00% per annum or Adjusted Term SOFR Rate plus a margin of 4.00% per annum, as applicable. The Facility has a maturity date of March 31, 2025. The exercise of the Accordion is subject to certain additional conditions and the satisfaction of financial covenants.

As of the date hereof, the Company has drawn \$10 million under the Facility.

Dividend Reinvestment Plan (“DRIP”)

On February 16, 2023, we adopted the Gold Royalty Corp. Dividend Reinvestment Plan (the “DRIP”). In the event that we declare a cash dividend on our common shares, eligible shareholders who have enrolled in the DRIP will be able to receive such dividend in the form of common shares. At our election, the common shares distributed under the DRIP will either be newly issued shares acquired from us (a “treasury acquisition”) or shares purchased on the open market (a “market acquisition”), or any combination thereof. At our discretion, common shares may be purchased in a treasury acquisition at a discount of up to 5% of the “average market price,” as defined in the DRIP, with such discount to be determined by the Company from time to time in its sole discretion and announced by way of press release. As of the date of hereof, the discount is set at 3%. Shareholders that do not participate in the DRIP will continue to receive cash dividends in the usual manner.

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 refer to our Annual Report on Form 20-F for the year ended September 30, 2022 for additional information regarding our interests.

Canadian Malartic Property

We hold four royalties on portions of the Canadian Malartic Property, 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, East Malartic, Sladen and Sheehan zones, and all of the Jeffrey zone within the Canadian Malartic Mine Property. The Canadian Malartic Property is owned and operated by Agnico Eagle.

We also hold 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 plus an additional 0.5% NSR for \$1.0 million) and a 15% NPI on the Radium Property.

- On October 26, 2022, Agnico Eagle announced that construction and development activities remain on schedule at Odyssey with shaft sinking activities expected to commence in early January 2023 and initial production from the Odyssey South ramp expected in March 2023. It disclosed that the expanded third quarter drill program focused on infill drilling at Odyssey South, on drill testing the Odyssey Internal zones and on infill and step-out drilling at East Gouldie.
- On November 4, 2022 Agnico Eagle and Pan American Silver Corp. (“**Pan American**”) announced that they had delivered a definitive binding offer to the board of directors of Yamana pursuant to which Pan American would acquire all of the issued and outstanding common shares of Yamana and Yamana would sell certain subsidiaries and partnerships which hold Yamana’s interests in its Canadian assets to Agnico Eagle, including the Canadian Malartic mine and Odyssey project, located in Québec. On February 16, 2023 Agnico Eagle announced that the acquisition of Yamana’s Canadian assets is expected to close in March 2023.
- On February 16, 2023 Agnico Eagle announced, among other things that:
 - o Underground development remains on schedule with initial production and start of shaft sinking expected in March 2023 and that delineation drilling of the Internal Zones at Odyssey South in 2022 showed potential to add production in 2024 to 2026.
 - o Exploration in 2023 is expected to focus on further testing of the Internal Zones, expanding the East Gouldie Zone to the east and west and mineral resource conversion. Drilling will also be carried out to test other near surface and underground opportunities to leverage excess mill capacity and infrastructure. Agnico Eagle expects to spend a total of approximately \$21.8 million for 164,000 metres of drilling at Canadian Malartic. Exploration at the Odyssey project

includes \$11.8 million for 102,000 metres of drilling with four objectives: continued drilling into East Gouldie to convert additional inferred mineral resources to indicated mineral resources towards the outer portions of the deposit; testing the immediate extensions of East Gouldie to the west and at shallower depths; continued conversion drilling into extensions of the Odyssey South deposit; and further investigation of Odyssey's Internal Zones.

- o Production from the Odyssey mine is expected to commence in March 2023, with the mined ore to be processed at the Canadian Malartic mill. In 2023, production is expected to be sourced from the Canadian Malartic pit, the Barnat pit and the Odyssey mine, complemented by ore from the low-grade stockpiles. The Canadian Malartic pit is expected to be completed late in the first half of 2023. The Odyssey mine is forecast to gradually ramp-up production in 2023, with an expected start in March 2023. The Odyssey mine is expected to contribute approximately 50,000 ounces of gold in 2023 and 80,000 ounces of gold in 2024 and 2025 to Canadian Malartic Complex payable production.
- o As of February 16, 2023, Agnico Eagle announced that thirteen drill rigs were active at Odyssey, with five underground drills in the Odyssey South and Internal zones and eight surface drills focused on infilling and expanding the East Gouldie mineralization. The joint venture drilled 177,163 metres (100% basis) on the mine site and regional exploration during 2022. With continued exploration success at the Odyssey project, Agnico Eagle is planning to update the internal preliminary economic assessment study during 2023 and future conversion of mineral resources to mineral reserves is expected at the Odyssey project at year-end 2023.
- o Agnico Eagle announced on February 16, 2023 that it expects to have up to 40,000 tonnes per day of excess mill capacity at the Canadian Malartic Complex starting in 2028 as processing of open pit ore and low-grade stockpiles begins to wind down and processing transitions to the higher-grade underground Odyssey mine. Other opportunities on the Canadian Malartic property that could potentially provide additional mill feed include:
 - Odyssey South Internal zones and the Jupiter Zone, partially covered by the Company's royalty;
 - The East Gouldie Corridor from surface to a depth of 600 metres;
 - The East Malartic mine area below 600 metres depth, partially covered by the Company's royalty;
 - Rand Malartic;
 - East Amphi;
 - Midway, covered by the Company's royalty

For more information, refer to Agnico Eagle's news releases dated October 26, 2022, November 4, 2022, and February 16, 2023, available under Agnico Eagle's profile on www.sedar.com

Côté Gold Project

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

On November 8, 2022, IAMGOLD announced its third quarter 2022 results including an update on construction at the Côté Gold Project in Ontario. IAMGOLD commented: "The Côté Gold Project is approximately 64% complete and advancing well following the schedule and cost update released in the summer. With approximately 1,500 workers on site, the project is nearing peak capacity and has seen significant progress in the third quarter towards the target of production in early 2024. The announced sale of Rosebel to Zijin Mining last month represents the first significant step towards addressing the funding commitments to deliver Côté Gold. The remaining funding alternatives are well advanced and we expect to be able to provide further updates in the fourth quarter."

On December 19, 2022, IAMGOLD announced that it had reached an agreement to amend the Côté Gold Joint Venture Agreement with Sumitomo Metal Mining Co., Ltd. and SMM Gold Cote Inc. ("**Sumitomo**"). Under the Agreement, commencing in January 2023, Sumitomo will contribute certain of IAMGOLD's funding amounts to the Côté Gold Project that in aggregate are expected to total approximately \$340 million over the course of 2023. As a result of Sumitomo funding such amounts, IAMGOLD will transfer, in aggregate, an approximate 10% interest in Côté to Sumitomo and IAMGOLD will remain the operator of the Côté Gold Project.

For more information, refer to IAMGOLD's news releases dated November 8, 2022, December 19, 2022, December 20, 2022, and February 16, 2023 available under its profile at www.sedar.com.

Ren Project

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

On November 3, 2022, Barrick announced its third quarter results including an update on its Ren Project, a growth prospect at the Carlin complex in Nevada. At Ren, drilling continues to grow inferred resources for the end of 2022 in the significantly sheared JB Zone, as well as the confidence in the continuity of mineralization in the structurally complex Corona Corridor, where MRC-22002 drilled within the highly sheared Devonian Rodeo Creek formation returned 16.0 meters (TW 9.1 meters) at 17.35 g/t Au. Assays are pending for other drillholes to test continuity of high-grade mineralization within the JB Zone. Results are expected to further expand the inferred resource

footprint. Remaining drilling this year will continue to focus on the exploration potential in the JB Zone and expand the western Corona Corridor.

On February 15, 2023, Barrick announced its financial and operating results for the full year of 2022, including updates on the Carlin Complex.

For further information, refer to Barrick's news release dated November 3, 2022 and February 15, 2023 available under its profile at www.sedar.com.

Granite Creek Mine Project

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

On November 8, 2022, i-80 announced its third quarter operating results including an operational update on its Granite Creek Mine Project in Nevada. Drilling continued at Granite Creek during the quarter testing resource expansion targets and delineation on the Ogee Zone and South Pacific Zone ("SPZ") with multiple high-grade intercepts reported. Drilling targets were expansion and delineation of the newly discovered SPZ as well as delineation drilling that targeted the Otto, Adam Peak, Range Front and Ogee fault zones with underground drilling.

On March 14, 2023, i-80 announced its operating and financial results for the year ended December 31, 2022 including an update and recap of progress at the Granite Creek Mine Project during the year. The 2022 underground drill program at Granite Creek was focused on delineating mineralization for mining as well as upgrading and expanding resources expected to provide the bulk of mineralization to be mined in the following twelve months. Multiple underground levels have been developed, especially on the Ogee Zone, and i-80 continued to extend the decline to depth, with the goal of initiating access to the new South Pacific Zone located immediately below and to the north of the underground mine workings. i-80 targets to complete underground drilling and bring the newly discovered South Pacific Zone into the Granite Creek mine plan in 2023. In the upper parts of the mine, high-grade gold mineralization was being defined in the Otto, Adam Peak and Range Front horizons, while from the lower levels drilling was focused on defining mineralization in the Ogee Zone that is expected to be the primary zone in the near future. The amount of drilling completed as of December 31, 2022 totaling 25,569 feet was in line with i-80's drilling plan.

For further information, refer to i-80's news release dated November 8, 2022 available under its profile at www.sedar.com

Jerritt Canyon Mine

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

On October 18, 2022, First Majestic announced its third quarter production including an operational update on the Jerritt Canyon Mine in Nevada. During the quarter, Jerritt Canyon produced 16,299 ounces of gold, representing a 13% decrease compared to the prior quarter. The decrease was primarily due to a 15% decrease in tonnes milled in order to complete its annual maintenance overhaul of the dual roasters in September which resulted in an increased ore stockpile of approximately 27,600 tonnes due to the planned 14-day maintenance shutdown.

To increase mine production, First Majestic has disclosed plans to complete a secondary escapeway in the West Generator mine in late October, which it believes will allow for a major increase in ore deliveries and gold production. First Majestic has disclosed it anticipates increased gold grades and increased quantity of fresh ore feed to the plant by approximately 50% as a result of the new ore feed at West Generator mine and the expected restart of its Saval II mine in November. During the quarter, a total of nine underground drill rigs completed 53,714 meters of drilling on the property.

On January 19, 2023, First Majestic announced production results for the fourth quarter of 2022 and outlined production guidance for 2023. Jerritt Canyon produced 16,845 ounces of gold during the three months ended December 31, 2022. The secondary escapeway in the West Generator mine was completed in November 2022 allowing for improved ore production although a severe cold weather disturbance in December limited haulage and deliveries to the plant. It further discloses that with the additional ramp up of Smith Zone 10 and the restart of the Saval II mine, gold production at Jerritt Canyon is expected by First Majestic to be between 119,000 to 133,000 ounces in 2023, representing a mid-point increase of 74% compared to 2022.

First Majestic also disclosed its exploration plans for 2023. At Jerritt Canyon, approximately 112,900 metres are planned to drill a mixture of surface and underground infill, step-out, and exploratory holes to support the life of mine and test the presence of new ore bodies. Surface exploration will aim to test newly identified targets on the property, including follow up drilling from recent drill intercepts at Winters Creek and Waterpipe II. Underground drilling is planned for SSX, Smith and West Generator where the focus is to replicate the Smith Zone 10 success by targeting above the water table, near active development mineralization to facilitate a fast turnaround to mining.

On March 20, 2023 First Majestic announced it is taking action to reduce overall costs by reducing investments, temporarily suspending all mining activities and reducing its workforce at Jerritt Canyon effective immediately. During the suspension, First Majestic intends

to process approximately 45,000 tonnes of aboveground stockpiles through the plant. Exploration activities are expected to also continue throughout 2023 with additional plans to:

- Explore for new regional discoveries and expand current known reserves and resources.
- Analyze the optimization of bulk mining and cost-effective mining methods.
- Conversion of inferred and indicated resources into measured resources.
- Reduce mining costs through adopting self-perform mining and improve contractor rates and terms.
- Continue modernizing the processing plant to be able to better withstand severe weather conditions.

As a result of the suspension, the First Majestic's previous production and cost guidance for Jerritt Canyon can no longer be relied upon. First Majestic's revised consolidated production and cost guidance, including capital investments, are expected to be published in July.

In light of the suspension announcement, we performed an impairment test at December 31, 2022. For further information refer to the financial statements.

For more information, refer to First Majestic's news release dated October 18, 2022 and January 19, 2023, available under its profile at www.sedar.com.

Fenelon Gold Project

We hold a 2.0% NSR royalty over the Fenelon Gold Project in Québec, Canada.

On January 17, 2023 Wallbridge announced an updated mineral resource estimate for the Fenelon Gold project prepared under NI 43-101. The updated mineral resource estimate is expected to form the foundation for Wallbridge's upcoming preliminary economic assessment ("PEA") of Fenelon, which is expected to be completed in Q2 2023

Wallbridge also announced its 2023 exploration plan which includes 15,000 meters of drilling on the Fenelon project. The 15,000 metres of drilling planned for Fenelon, which remains open laterally and at depth in multiple directions, will follow up on recent exploration results (see Wallbridge press releases dated November 8 and December 8, 2022) that continue to expand the known gold system. The 2023 program will focus on completing large-spaced drill step-outs on known gold zones and testing extensions of the main host rocks (Jeremie Diorite, Main Gabbro), as well as structures that are recognized as being important in controlling gold mineralization (Sunday Lake Deformation Zone, Jeremie Fault, and other secondary fault zones) to potentially discover new gold zones. In addition, Wallbridge will continue de-risking the project with further technical studies, environmental and permitting activities.

For more information, refer to Wallbridge's news release dated January 17, 2023, available under its profile at www.sedar.com.

Railroad-Pinion Project

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

On February 9, 2023 Orla Mining Ltd. ("Orla") provided an update on its exploration activities on its South Railroad Project ("South Railroad") in 2022 and an overview of exploration plans for 2023. The resumption of exploration activities in mid-2022 resulted in promising drill results from multiple satellite oxide mineralized zones and targets across the 21,000-hectare South Railroad land package. Infill and selected step-out drilling was performed with the objective to upgrade inferred resources at the Pinion SB, POD, Sweet Hollow and Jasperoid Wash oxide deposits, define potential new resources at the Dixie mineralized zone, and advance the early-stage LT target. Inferred mineral resource estimates for Pinion SB, POD, Sweet Hollow, and Jasperoid Wash are expected to be updated in the second half of 2023, incorporating assay and metallurgical test study results from the 2022 core and reverse circulation ("RC") drill program, as well as from historical drill holes. Orla outlined a \$10 million exploration budget for South Railroad in 2023 which would include approximately 22,400 metres of drilling (16,500 metres of RC drilling and 5,900 metres of core).

For more information, refer to Orla Mining's news releases dated February 9, 2023, available under its profile at www.sedar.com.

Gold Rock Project

We hold a 0.5% NSR royalty over the Gold Rock Project in White Pine County, Nevada, USA.

On November 22, 2022, Calibre announced results from its 2022 drill program at its 100% owned Gold Rock Project located in the Battle Mountain – Eureka gold trend. The initial purpose of the 2022 drill program was to de-risk the Gold Rock Project, near-surface oxide project through infill and condemnation drilling, geo-metallurgical classification, and structural modelling. During the program, Calibre intersected high-grade, sulphide mineralization in areas previously untested by drilling. The 2023 drill program at Gold Rock Project will focus on testing higher grade mineralization targets at depth.

On February 7, 2023, Calibre announced its 2023 resource expansion drill programs which outlined a US\$9 million exploration budget for 40,000 meters of drilling focused on new discoveries outside the fence at both Pan and Gold Rock. There are numerous discovery opportunities along a 5 km trend south of the Pan resource area and centered on the new Coyote discovery to be drilled following up on recent drilling success. Calibre's generative program is also underway including mineral alteration classification and structural interpretation.

For more information, refer to Calibre's news release dated November 22, 2022 and February 7, 2023, available under its profile at www.sedar.com.

Whistler Gold-Copper Project

We hold a 1.0% NSR royalty over the Whistler Project in Alaska, USA.

On February 27, 2023, GoldMining Inc. ("**GoldMining**") announced it created a new subsidiary, U.S. GoldMining Inc. ("U.S. GoldMining"), which will be focused on advancing the Whistler gold-copper Project, located in Alaska, USA. GoldMining's board of directors has approved a strategy to have U.S. GoldMining operated as a separate public company through an initial public offering or similar transaction. On February 27, 2023, GoldMining announced that U.S. GoldMining had filed a registration statement in respect of its initial public offering.

For more information, refer to GoldMining's news release dated February 27, 2023, available under its profile at www.sedar.com.

Overall Performance

Selected Financial Information

The following table sets forth selected financial information for the three months transition period ended December 31, 2022, the three months ended December 31, 2021, and the most recently completed fiscal years ended September 30, 2022 and 2021, respectively:

	Three months ended		Year ended	
	December 31, 2022	December 31, 2021	September 30, 2022	September 30, 2021
	(\$)	(\$)	(\$)	(\$)
(in thousands of dollars, except per share amounts)				
Total revenue	582	533	3,944	192
Net loss	(2,204)	(6,841)	(17,346)	(15,006)
Net loss per share, basic and diluted	(0.02)	(0.06)	(0.14)	(0.45)
Dividends declared per share	0.01	—	0.03	—
Total assets	682,410	677,364	688,614	279,499
Total non-current financial liabilities	9,694	5,073	9,661	4,560
<i>Non-IFRS and Other Measures</i>				
Total Revenue and Option Proceeds*	1,131	1,018	5,724	222
Adjusted Net Loss*	(3,373)	(3,540)	(12,462)	(9,338)
Adjusted Net Loss Per Share, basic and diluted*	(0.02)	(0.03)	(0.10)	(0.28)
Total Gold Equivalent Ounces (" GEOS ")*	336	297	2,156	104
Cash flow used in operating activities, excluding changes in non-cash working capital*	(2,315)	(5,894)	(12,169)	(9,088)
Cash flow used in operating activities, excluding changes in non-cash working capital and transaction related expenses*	(2,200)	(1,836)	(6,576)	(5,853)

* See "*Non-IFRS Measures*".

During the three months ended December 31, 2022 and December 31, 2021, respectively, we incurred a net loss of \$2.2 million and \$6.8 million, or net loss per share of \$0.02 and \$0.06. The decrease in net loss was primarily the result of reduced expenses related to acquisition-related activities.

We had revenue of \$0.6 million and \$0.5 million for the three months ended December 31, 2022 and December 31, 2021, respectively. Such revenue primarily related to revenue generated from the portfolio of royalties and optioned mineral properties that were acquired through the acquisitions of Ely Gold Royalties Inc. ("**Ely**"), Golden Valley and Abitibi Royalties Inc. ("**Abitibi**").

During the three months ended December 31, 2022, and December 31, 2021, we had \$1.1 million and \$1.0 million in Total Revenue and Option Proceeds, respectively, of which \$0.6 million and \$0.5 million were credited against the carrying value of mineral properties for the three months ended December 31, 2022, and December 31, 2021, respectively. See "*Non-IFRS Measures*".

The increase in total revenue to \$3.9 million for year ended September 30, 2022, was primarily related to revenue generated from the portfolio of royalties and optioned mineral properties that were acquired in August 2021 and November 2021 through the acquisitions of Ely, Golden Valley and Abitibi.

During the year ended September 30, 2022, we earned \$5.7 million in Total Revenue and Option Proceeds, of which \$1.8 million was credited against the carrying value of mineral properties. See "Non-IFRS Measures".

During the year ended September 30, 2022, net loss increased from \$15.0 million to \$17.3 million as we incurred consulting and professional fees and other expenses in connection with project evaluation and corporate development, addition of employees and operating expenses incurred for the Ely, Abitibi and Golden Valley operations. Total assets increased from \$279.5 million to \$688.6 million which was primarily attributed to the additional royalties acquired during the year ended September 30, 2022, of which \$366.1 million was acquired through the business combination with Golden Valley and Abitibi.

Total non-current financial liabilities of \$9.7 million as at September 30, 2022 mainly represents the outstanding balance of the Facility of \$9.4 million.

See *Selected 2022 Developments* for further information regarding our activities during the three months ended December 31, 2022.

Trends, events and uncertainties that are reasonably likely to have an effect on our business include developments in the gold markets, as well as general financial market conditions, and the ongoing effects of the COVID-19 pandemic on owners and operators of the properties underlying our interests, as discussed elsewhere in this MD&A.

Discussion of Operations

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

During the three months ended December 31, 2022, we had total revenue of \$0.6 million, consisting of royalty income of \$0.4 million, advance mineral royalty payment of \$0.05 million and option income relating to other mineral interests of \$0.1 million, compared to \$0.5 million for the three months ended December 31, 2021, which consisted of royalty income of \$0.4 million, advance mineral royalty payment of \$0.05 million and option income relating to other mineral interests of \$0.05 million.

The following provides a breakdown of our revenue by assets for the periods indicated:

(in thousands of dollars)	Three months ended	
	December 31, 2022 (\$)	December 31, 2021 (Unaudited) (\$)
Canadian Malartic	195	62
Borden	63	—
Jerritt Canyon	148	305
Others	176	166
	<u>582</u>	<u>533</u>

Others consist of royalty income on Isabella Pearl Mine of \$0.03 million, advance mineral royalty payment of \$0.05 million, and option income of \$0.10 million for the three months ended December 31, 2022. For the three months ended December 31, 2021, others consisted of royalty income on Isabella Pearl Mine of \$0.03 million, advance mineral royalty payment of \$0.05 million, and option income of \$0.08 million.

During the three months ended December 31, 2022, we incurred consulting fees of \$0.2 million, compared to \$3.2 million for the three months ended December 31, 2021. The decrease in consulting fees primarily related to reduced costs in connection with evaluation and transaction activities. Consulting fees in the three months ended December 31, 2021 comprised primarily of fees related to advisory services incurred in connection with project evaluation and corporate development activities. In the three months ended December 31, 2021, consulting fees included \$3.0 million of one-time, non-recurring transaction specific amounts related to corporate development and advisory services in connection with the Company's acquisitions during the period.

During the three months ended December 31, 2022 and December 31, 2021, we incurred management and directors' fees of \$0.4 million and \$0.2 million, respectively. Management and directors' fees primarily consisted of salaries paid or payable to members of senior management and fees paid to the directors of the Company.

During the three months ended December 31, 2022, we incurred general and administrative costs of \$1.7 million which primarily consist of insurance expense of \$0.4 million, investor communications and marketing expenses of \$0.6 million incurred in connection with our awareness programs, transfer agent and regulatory fees of \$0.1 million, office and technology expenses of \$0.2 million, and employee salaries and benefits of \$0.4 million. During the three months ended December 31, 2021, we incurred general and administrative costs of \$1.4 million, which primarily consist of insurance expense of \$0.6 million, investor communications and marketing expenses of \$0.3 million incurred in connection with the Company's awareness programs, transfer agent and regulatory fees of \$0.1 million, office and technology expenses of \$0.2 million and salaries, wages and benefits of \$0.2 million. The increase in general and administrative costs was primarily the result of the consolidation of administrative expenses incurred by Ely, Golden Valley and Abitibi after their respective acquisitions.

During the three months ended December 31, 2022 and December 31, 2021, we incurred professional fees of \$0.7 million and \$1.8 million, respectively. Professional fees primarily consist of transaction-related expenses for transactions under evaluation, audit fees and legal fees for general corporate and securities matters. Excluding one-time, non-recurring costs related to the acquisitions of Ely, Golden Valley and Abitibi and the Elemental Offer, total professional fees totaled \$0.8 million during the three months ended December 31, 2021.

During the three months ended December 31, 2022 and December 31, 2021, we recognized share-based compensation expense of \$1.1 million and \$0.9 million, respectively. For the three months ended December 31, 2022, \$0.2 million was related to the vesting of restricted share units, \$0.8 million related to the vesting of our share options issued to our management, directors, employees and consultants, and the amortization of the fair value of shares issued by the Company to contractors for marketing services of \$0.1 million. For the three months ended December 31, 2021, \$0.2 million was related to the vesting of performance based restricted shares awarded in 2020, and \$0.4 million represented the fair value of share options issued by the Company to management, directors, employees and consultants of the Company. A further \$0.3 million represented the fair value of shares issued by the Company to contractors for marketing services.

During the three months ended December 31, 2022 and December 31, 2021, we incurred mining claims maintenance expense of \$0.04 million and \$0.06 million, respectively. The maintenance expenses were paid to maintain mineral properties acquired as part of the acquisition of Ely, Golden Valley and Abitibi.

During the three months ended December 31, 2022 and December 31, 2021, we recognized a fair value gain on our derivative liabilities of \$0.3 million and \$0.09 million. The fair value gain recognized was a function of the changes in our share price, estimated volatility and interest rate, which are inputs to the remeasurement of the fair value of the outstanding share purchase warrants of Ely (an "Ely Warrant") that were outstanding as at December 31, 2022 and December 31, 2021, respectively. The warrants expire on May 21, 2023.

During the three months ended December 31, 2022 and December 31, 2021, we recognized a fair value gain on our short-term investments of \$1.1 million and \$0.5 million, respectively. The gain recognized resulted from the increase in the fair value of marketable securities. Short-term investments are measured at fair value with references to closing foreign exchange rates and the quoted share price in the market.

During the three months ended December 31, 2022, we incurred interest expenses of \$0.3 million on the Facility. No interest expense was incurred during the three months ended December 31, 2021.

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

During the year ended September 30, 2022, we earned total revenue of \$3.9 million, consisting of royalty income of \$3.1 million, advance mineral royalty payment of \$0.4 million and option income relating to other mineral interests of \$0.4 million. The following provides a breakdown of our revenue by assets for the periods indicated:

(in thousands of dollars)	Year ended	
	September 30, 2022	September 30, 2021
	(\$)	(\$)
Canadian Malartic	1,132	—
Borden	954	—
Jerritt Canyon	808	94
Others	1,050	98
	<u>3,944</u>	<u>192</u>

Others consist of royalty income on Isabella Pearl Mine of \$0.1 million, advance mineral royalty payment of \$0.5 million, and option income of \$0.5 million for the year ended September 30, 2022.

During the year ended September 30, 2022, we incurred consulting fees of \$4.1 million, which consisted primarily of advisory services in connection with project evaluation and corporate development, as well as consulting and advisory fees of \$3.0 million in connection with the acquisition of Golden Valley and Abitibi. In the previous fiscal year, we incurred consulting fees of \$2.7 million.

During the year ended September 30, 2022, we incurred management and directors' fees of \$1.9 million, compared to \$1.2 million in the previous fiscal period. Management and directors' fees primarily consist of salaries and bonuses paid or payable to members of senior management and fees paid or payable to our directors. Bonuses paid to our key management personnel during the year ended September 30, 2022 and 2021 were \$0.5 million and \$0.5 million, respectively. Our directors did not receive directors' fees before the completion of the initial public offering in March 2021.

During the year ended September 30, 2022, we incurred general and administrative costs of \$5.9 million, compared to \$2.9 million in the previous fiscal period. The major components of the general and administrative costs for the year ended September 30, 2022 included insurance expense of \$2.0 million as compared to \$1.3 million in the previous fiscal year, investor communications and marketing expenses of \$1.4 million incurred in connection with our awareness programs as compared to \$1.1 million in the previous fiscal year, transfer agent and regulatory fees of \$0.5 million as compared to \$0.2 million in the previous fiscal year, office and technology expenses

of \$0.8 million as compared to \$0.2 million in the previous fiscal year, and employee salaries and benefits of \$1.1 million as compared to \$0.1 million in the previous fiscal year. The increase in general and administrative costs was primarily the result of increased corporate development and marketing activities, the commencement of the royalty generator business and the consolidation of administrative expenses incurred by Ely, Golden Valley and Abitibi after their respective acquisitions. A major component of the insurance fees is related to the directors and officers liability insurance which the Company put in place upon the completion of the initial public offering.

During the year ended September 30, 2022, we incurred professional fees of \$4.2 million as compared to \$2.5 million in the previous fiscal year. Professional fees primarily consisted of transaction-related expenses for completed transactions (including our acquisition of Golden Valley and Abitibi) and those in process or under evaluation, audit and quarterly review fees and legal fees for general corporate and securities matters. Excluding costs related to the acquisition of Ely, Golden Valley and Abitibi and our offer to acquire Elemental, total professional fees was approximately \$2.1 million for the year ended September 30, 2022.

During the year ended September 30, 2022, we recognized share-based compensation expense of \$3.1 million as compared to \$3.3 million in the previous fiscal year, of which \$0.3 million was related to the vesting of performance based restricted shares as compared to \$0.4 million in the previous fiscal year, \$0.3 million was related to the vesting of restricted share units, \$1.6 million represents the vesting of our share options issued to our management, directors, employees and consultants as compared to \$2.2 million in the previous fiscal year. The share-based compensation expense also included the amortization of the fair value of shares issued by the Company to contractors for marketing services of \$0.9 million for the year ended September 30, 2022.

During the year ended September 30, 2022, we incurred mining claims maintenance expense of \$0.2 million. The maintenance expenses were paid to maintain mineral properties acquired as part of the acquisition of Ely, Golden Valley and Abitibi.

During the year ended September 30, 2022, mining operations at the Rawhide Mine were suspended due to working capital constraints. Rawhide's management are evaluating strategic options to address the constraint including outright sale. We have reviewed the underlying circumstances and have recognized an impairment charge of \$3.8 million on the Rawhide royalty during the year ended September 30, 2022.

During the year ended September 30, 2022, we recognized a fair value gain on our derivative liabilities of \$4.6 million. The change is primarily as a result of the remeasurement of the fair value of 8,849,251 Ely Warrants that were outstanding as at September 30, 2022. The fair value gain was a function of changes in our share price, estimated volatility and interest rate.

During the year ended September 30, 2022, we recognized a fair value loss on our short-term investments of \$0.6 million resulting from the decrease in the fair value of marketable securities. Short-term investments are measured at fair value with references to closing foreign exchange rates and the quoted share price in the market.

We incurred interest expenses of \$0.6 million on the Facility during the year ended September 30, 2022. No interest expense was incurred by the Company in the previous year as the Facility was drawn down in February 2022. As a result of extending the maturity date of the Facility, we recognized a gain on the loan modification of \$0.3 million during the year ended September 30, 2022.

Summary of Quarterly Results

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

	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
(in thousands of dollars, except per share amounts)	(\$)	(\$)	(\$)	(\$)
Statement of Loss and Comprehensive Loss				
Royalty and option income	582	866	1,907	638
Net loss	(2,204)	(4,677)	(3,438)	(2,388)
Net loss per share, basic and diluted	(0.02)	(0.03)	(0.03)	(0.02)
Dividends declared per share	0.01	0.01	0.01	0.01
Non-IFRS and Other Measures				
Total Revenue and Option Proceeds*	1,131	923	2,024	1,808
Adjusted Net Loss*	(3,373)	(3,498)	(2,153)	(3,269)
Adjusted Net Loss Per Share, basic and diluted*	(0.02)	(0.03)	(0.02)	(0.02)
Total Gold Equivalent Ounces ("GEOs")*	336	501	1,018	340
Cash flow used in operating activities, excluding changes in non-cash working capital*	(2,315)	(2,493)	(603)	(3,177)
Cash flow used in operating activities, excluding changes in non-cash working capital and transaction related expenses*	(2,200)	(2,493)	(28)	(2,217)
Statement of Financial Position				
Total assets	682,410	688,614	671,148	678,035
Total non-current liabilities	144,782	145,184	135,298	138,779

(in thousands of dollars, except per share amounts)	December 31, 2021 (\$)	September 30, 2021 (\$)	June 30, 2021 (\$)	March 31, 2021 (\$)
Statement of Loss and Comprehensive Loss				
Royalty and option income	533	192	—	—
Net loss	(6,841)	(9,215)	(3,035)	(2,256)
Net loss per share, basic and diluted	(0.06)	(0.17)	(0.07)	(0.08)
Dividends declared per share	—	—	—	—
Non-IFRS and Other Measures				
Total Revenue and Option Proceeds*	1,018	222	—	—
Adjusted Net Loss*	(3,540)	(4,420)	(2,260)	(2,235)
Adjusted Net Loss Per Share, basic and diluted*	(0.03)	(0.08)	(0.05)	(0.08)
Total Gold Equivalent Ounces (“GEOs”)*	297	104	—	—
Cash flow used in operating activities, excluding changes in non-cash working capital*	(5,894)	(5,279)	(2,240)	(1,217)
Cash flow used in operating activities, excluding changes in non-cash working capital and transaction related expenses*	(1,836)	(2,854)	(1,430)	(1,217)
Statement of Financial Position				
Total assets	677,364	279,499	101,368	103,303
Total non-current liabilities	141,450	47,260	—	—

* See “*Non-IFRS Measures*”.

Changes in net loss from quarter to quarter for the period from incorporation to date have been affected primarily by increased corporate activity following our initial public offering, professional and consulting fees incurred in connection with the acquisition of Ely, the business combinations with Golden Valley and Abitibi, and professional fees incurred in connection with corporate activities conducted during the respective periods, offset by royalty and option income earned.

The decrease in net loss in the three months ended December 31, 2022, compared to three months ended December 31, 2021, is primarily attributed to a decrease in consulting fee of \$3.1 million, insurance fees of \$0.1 million, professional fees of \$1.2 million and our share of loss in VZZ of \$0.1 million, offset by an increase in management and directors’ fees of \$0.2 million, salaries, wages and benefits of \$0.1 million, investor communications and marketing expenses of \$0.2 million and share-based compensation expense of \$0.2 million.

Outlook

Gold Royalty expects to receive \$5.5 million and \$6.5 million in Total Revenues and Option Proceeds in 2023 based on the production guidance published to date by the operators of the properties underlying the Company’s interests, a forecasted gold price ranging from \$1,700 per ounce to \$2,000 per ounce and expected payments on optioned properties. The Company expects to incur \$7.0 million to \$8.0 million in recurring cash operating expenses in 2023, a midpoint decrease of 30% compared to fiscal 2022. Gold Royalty is poised to generate net free cash flow in 2024 when a number of its growth projects ramp up in production, including the long-life cornerstone mines at Cote and Odyssey.

The foregoing projected outlook constitutes forward-looking information and is intended to provide information about management’s current expectations for the Company’s 2023 fiscal year. Although considered reasonable as of the date hereof, such outlook and the underlying assumptions may prove to be inaccurate. Accordingly, actual results could differ materially from the Company’s expectations as set forth herein. See “Forward-Looking Statements”.

In preparing the above outlook, the Company assumed, among other things, that the operators of the projects underlying royalties will meet expected production milestones and forecasts for the applicable period and that operators of optioned properties will elect to make all expected option payments over the period. This section includes forward-looking statements. See “Forward-Looking Statements”.

Non-IFRS Measures

We have included, in this document, certain performance measures, including: (i) Adjusted Net Loss; (ii) Adjusted Net Loss Per Share; (iii) GEOs; (iv) cash flows from operating activities, excluding changes in non-cash working capital; (v) cash flows from operating activities, excluding changes in non-cash working capital and transaction-related expenses; and (vi) Total Revenue and Option Proceeds, 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 Loss*

Adjusted Net Loss is calculated by deducting the following from net income: transaction-related expenses, share of (gain)/loss and dilution gain in associate, impairment, changes in fair value of derivative liabilities and short-term investments, gain on disposition of short-term investments, gain on loan modification, foreign exchange gain/(loss) and other income/(expense). Adjusted Net Loss Per Share, basic and diluted have been determined by dividing the Adjusted Net 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 Loss and Adjusted Net Loss Per Share, basic and diluted for the periods indicated:

	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
(in thousands of dollars, except per share amounts)	(\$)	(\$)	(\$)	(\$)
Net loss	(2,204)	(4,677)	(3,438)	(2,388)
Transaction-related expenses	115	—	575	960
Share of (gain)/loss in associate	(1)	(2)	47	108
Dilution gain in associate	—	—	(20)	(80)
Impairment of royalty	—	—	—	3,821
Change in fair value of derivative liabilities	(278)	136	(2,836)	(1,798)
Change in fair value of short-term investments	(1,060)	1,359	3,627	(3,875)
Foreign exchange (gain)/loss	42	(21)	3	(13)
Gain on loan modification	—	(316)	—	—
Other (income)/expense	13	23	(111)	(4)
Adjusted Net Loss	(3,373)	(3,498)	(2,153)	(3,269)
Weighted average number of common shares	143,913,069	134,822,619	134,372,502	134,019,359
Adjusted Net Loss Per Share, basic and diluted	(0.02)	(0.03)	(0.02)	(0.02)

	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
(in thousands of dollars, except per share amounts)	(\$)	(\$)	(\$)	(\$)
Net loss	(6,841)	(9,215)	(3,035)	(2,256)
Transaction-related expenses	4,058	2,425	810	—
Share of loss in associate	143	—	—	—
Change in fair value of derivative liabilities	(90)	1,511	—	—
Change in fair value of short-term investments	(542)	168	—	—
Foreign exchange loss	(23)	706	9	29
Other income	(245)	(15)	(44)	(8)
Adjusted Net Loss	(3,540)	(4,420)	(2,260)	(2,235)
Weighted average number of common shares	109,907,519	54,387,749	41,602,391	26,921,180
Adjusted Net Loss Per Share, basic and diluted	(0.03)	(0.08)	(0.05)	(0.08)

- *GEOs*

Total GEOs are determined by dividing revenue by the following average gold prices:

For three months ended:	Units	Average Gold Price
December 31, 2021	(US\$/oz)	1,796
March 31, 2022	(US\$/oz)	1,877
June 30, 2022	(US\$/oz)	1,874
September 30, 2022	(US\$/oz)	1,729
December 31, 2022	(US\$/oz)	1,731

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.

- *Cash flow used in operating activities, excluding changes in non-cash working capital*

Cash flow used in operating activities, excluding changes in non-cash working capital is determined by excluding the impact of changes in non-cash working capital items to or from cash used in operating activities. 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 flow used in operating activities, excluding changes in non-cash working capital.

- *Cash flow used in operating activities, excluding changes in non-cash working capital and transaction-related expenses*

Cash flow used in operating activities, excluding changes in non-cash working capital and transaction-related expenses is determined by excluding the impact of changes in non-cash working capital items to or from cash used in operating activities and transaction-related expenses. 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 flow used in operating activities, excluding changes in non-cash working capital and transaction-related expenses.

(in thousands of dollars)	December 31, 2022 (\$)	September 30, 2022 (\$)	June 30, 2022 (\$)	March 31, 2022 (\$)
Net loss	(2,204)	(4,677)	(3,438)	(2,388)
Items not involving cash:				
Depreciation	29	27	21	15
Depletion	216	(56)	1,037	488
Interest expense	285	259	269	105
Other expenses/(income)	13	(31)	(3)	(1)
Share-based compensation	1,078	394	705	1,146
Change in fair value of short-term investments	(1,060)	1,359	3,627	(3,875)
Change in fair value of derivative liabilities	(278)	136	(2,836)	(1,798)
Impairment of royalty	—	—	—	3,821
Share of loss in associate	(1)	(2)	47	108
Dilution gain in associate	—	—	(20)	(80)
Deferred tax expense (tax recovery)	(435)	371	(15)	(652)
Gain on loan modification	—	(316)	—	—
Foreign exchange (gain)/loss	42	43	3	(66)
Cash flow used in operating activities, excluding changes in non-cash working capital	(2,315)	(2,493)	(603)	(3,177)
Transaction related expenses	115	—	575	960
Cash flow used in operating activities, excluding changes in non-cash working capital and transaction related expenses	(2,200)	(2,493)	(28)	(2,217)
(in thousands of dollars)	December 31, 2021 (\$)	September 30, 2021 (\$)	June 30, 2021 (\$)	March 31, 2021 (\$)
Net loss	(6,841)	(9,215)	(3,035)	(2,256)
Items not involving cash:				
Depreciation	9	5	—	—
Depletion	287	164	—	—
Other income	(2)	(15)	(44)	(8)
Share-based compensation	901	1,397	830	1,018
Change in fair value of short-term investments	(542)	168	—	—
Change in fair value of derivative liabilities	(90)	1,511	—	—
Share of loss in associate	143	—	—	—
Dilution gain in associate	—	—	—	—
Deferred tax expense	167	—	—	—
Foreign exchange loss	74	706	9	29
Cash flow used in operating activities, excluding changes in non-cash working capital	(5,894)	(5,279)	(2,240)	(1,217)
Transaction related expenses	4,058	2,425	810	—
Cash flow used in operating activities, excluding changes in non-cash working capital and transaction related expenses	(1,836)	(2,854)	(1,430)	(1,217)

- *Total Revenue and Option Proceeds reconciliation*

Below is a reconciliation of our Total Revenue and Option Proceeds to total revenue for the three months ended December 31, 2022, and December 31, 2021, respectively, and year ended September 30, 2022 and 2021, respectively:

(in thousands of dollars)	Three months ended		Year ended	
	December 31, 2022 (\$)	December 31, 2021 (\$)	September 30, 2022 (\$)	September 30, 2021 (\$)
Royalty	435	401	3,108	102
Advance minimum royalty	48	48	386	90
Option proceeds	648	569	2,230	30
Total Revenue and Option Proceeds	1,131	1,018	5,724	222
Option proceeds credited against mineral properties	(549)	(485)	(1,780)	(30)
Total revenue	582	533	3,944	192

Total revenue is determined by excluding the Option proceeds credited against mineral properties from the Total Revenue and Option Proceeds. 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.

Liquidity and Capital Resources

(in thousands of dollars)	As at December 31, 2022 (\$)	As at September 30, 2022 (\$)
Cash and cash equivalents	5,847	7,048
Short-term investments	3,840	7,199
Working capital (current assets less current liabilities)	7,559	9,746
Total assets	682,410	688,614
Total current liabilities	3,977	7,211
Total non-current liabilities	144,782	145,184
Shareholders' equity	533,651	536,219

As at December 31, 2022, we had cash and cash equivalents of \$5.8 million and cash, cash equivalents and marketable securities of \$9.7 million. This compares to cash and cash equivalents of \$7.0 million and cash, cash equivalents and marketable securities of \$14.2 million at September 30, 2022. As at December 31, 2022, we had working capital (current assets less current liabilities) of \$7.6 million as compared to \$9.7 million as at September 30, 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, government loan and current portion of derivative liabilities. The decrease in cash is primarily as a result accounts payable and accrued liabilities and dividend payments made during the three months ended December 31, 2022. The decrease in short term investments during the three months ended December 31, 2022 is primarily attributable to the disposition of marketable securities. The decrease in accounts receivable is consistent with the decrease in revenue during the three months ended December 31, 2022. Prepaids and other receivables consist of prepaid insurance expense and tax receivable as at December 31, 2022. Within Total assets, we have royalty and other mineral interests with a carrying value of \$667.5 million as at December 31, 2022 compared to \$668.3 million at September 30, 2022, which were acquired through issuances of our common shares and payment of cash, and accounts payable and accrued liabilities of \$3.7 million as at December 31, 2022 compared to \$6.7 million as at September 30, 2022.

On August 15, 2022, we announced the establishment of an at-the-market equity program, which allows us to issue up to \$50.0 million in common shares from treasury to the public from time to time. No Shares were distributed under the program during the three months ended December 31, 2022.

On February 13, 2023, we announced an expansion of our Facility by \$10 million to \$35 million. The expanded credit facility includes an accordion feature providing for an additional \$15 million of availability, subject to certain additional conditions. The Facility is available for general corporate purposes, acquisitions and investments subject to certain limitations. See "Selected Developments".

Our principal sources of financing to date have been the prior issuance of common shares, by way of private placement, and our initial public offering, the Facility and revenue generated by our royalty and other mineral interests. We also had marketable securities of \$3.8 million as at December 31, 2022. Based on our amended Facility, available cash, cash equivalents marketable securities, the at-the-market equity program 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 plan through revenue generating from our royalty interests, 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

Operating Activities

Net cash used in operating activities during the three months ended December 31, 2022 was \$4.5 million. Net cash used in operating activities during the three months ended December 31, 2022 reflected a net loss of \$2.2 million offset by non-cash items including share-based compensation of \$1.1 million, change in fair value of derivative liability of \$0.3 million, change in fair value of short-term investments of \$0.5 million, depletion charge of \$0.3 million, other income of \$0.6 million and deferred tax recovery of \$0.4 million. Non-cash working capital changes includes a decrease in accounts receivable of \$0.4 million, a decrease in prepaids and other receivables of \$0.4 million and a decrease in accounts payable and accrued liabilities of \$3.0 million.

Net cash used in operating activities during the three months ended December 31, 2021 was \$8.1 million, which reflected a net loss of \$6.8 million offset by non-cash items including the Company's share-based compensation of \$0.9 million. Non-cash working capital changes includes a decrease in prepaids and other receivables of \$0.6 million and accounts payable and accrued liabilities of \$2.8 million.

Investing Activities

During the three months ended December 31, 2022, we received cash proceeds from the disposal of marketable securities of \$4.5 million and proceed from option agreement of approximately \$0.5 million.

During the three months ended December 31, 2021, we made investment in exploration and evaluation assets of \$0.3 million and acquired cash and restricted cash for a total amount of \$12 million from the business combination with Golden Valley and Abitibi. We also received cash proceeds from option agreements of approximately \$0.5 million.

Financing Activities

During the three months ended December 31, 2022, net cash used in financing activities was \$1.7 million, which primarily represents interest payments of \$0.2 million and dividend payment \$1.4 million.

During the three months ended December 31, 2021, net cash provided by financing activities was \$0.3 million which primarily represented proceeds from the exercise of warrants to purchase common shares of Ely that were outstanding immediately prior to the closing of the acquisition of Ely. Each Ely Warrant represents 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.

On January 18, 2022, the Company announced the initiation of a quarterly dividend program and declared an inaugural quarterly cash dividend of \$0.01 per common share. No dividend was paid during the three months ended December 31, 2021.

Contractual Obligations

As at December 31, 2022, we have the following contractual obligations, including payments due for each of the next five years thereafter:

(in thousands of dollars)	Payments Due by Period				
	Total	Less than 1 year	1 – 3 years	4 – 5 years	After 5 years
Lease obligation	\$305	\$59	\$203	\$43	—
Revolving credit facility	\$9,448	—	9,448	—	—
Government loan	\$44	44	—	—	—
Total	\$9,797	\$103	\$9,651	\$43	\$—

Off-Balance Sheet Arrangements

At December 31, 2022, we did not have any off-balance sheet arrangements.

Transactions with Related Parties

Related Party Transactions

During the three months ended December 31, 2022, we entered into an agreement with VZZ through our subsidiary Golden Valley, whereby, among other things, our subsidiary would transfer to VZZ interests in 12 prospective properties held by it in exchange for royalties thereon. Also, we entered into a strategic alliance with IZZ, which provides us with a right of first refusal on any royalty or similar interest sold by IZZ in Australia. The strategic alliance includes a royalty referral arrangement which will provide us with the opportunity to acquire certain royalties identified by IZZ in Australia in consideration for which IZZ will retain an interest in the

underlying royalty on a carried-basis. Glenn Mullan is the President and Chief Executive Officer of VZZ and IZZ, and a director of the Company.

During the three months ended December 31, 2021, we incurred \$0.2 million in general and administrative expenses for website design, hosting and maintenance service provided by Blender Media Inc. ("Blender"), a vendor that is controlled by a family member of Amir Adnani, a director of the Company. During the three months ended December 31, 2021, we issued 120,000 GRC Shares to Blender as compensation for digital marketing services. During the three months ended December 31, 2021, we recognized share-based compensation expense of \$0.2 million in respect of this contract.

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 three months ended December 31, 2022 and December 31, 2021 are as follows:

(in thousands of dollars)	Three months ended	
	December 31, 2022	December 31, 2021
	(\$)	(\$)
Management salaries	275	181
Directors' fees	102	36
Share-based compensation	788	440
	<u>1,165</u>	<u>657</u>

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 interests requires the use of judgments, assumptions and estimates when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test as well as in the assessment of fair values. 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 will not likely occur or may be significantly reduced in the future.
- Our business is the acquisition of royalties through direct royalty asset acquisition or business combinations. Each royalty has its own unique terms and judgment is required to assess the appropriate accounting treatment. The assessment of whether an acquisition meets the definition of a business or whether assets are acquired is an area of judgment. In evaluating whether a transaction is a business combination management must consider if the acquired assets or entities encompass an integrated set of activities and assets that is capable of being conducted and managed for the purpose of generating income. Additionally, an optional asset concentration test may be applied. If deemed to be a business combination, applying the acquisition method to business combinations requires each identifiable asset and liability to be measured at its acquisition date fair value. The excess, if any, of the fair value of the consideration over the fair value of the net identifiable assets acquired is recognized as goodwill.
- The functional currency for each of our subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and we reconsider the functional currency of our 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 are required to make a number of estimates in the application of business combination accounting. The determination of acquisition date fair values often requires management to make assumptions and estimates about future events. The assumptions and estimates with respect to determining the fair value of royalty interests generally require a high degree of judgement, and include estimates of mineral reserves and resources acquired, future metal prices, discount rates, price to net asset value, in-situ value and conversion of reserves and resources. Changes in any of the assumptions or estimates used in determining the fair value of acquired assets and liabilities could impact the amounts assigned to assets and liabilities.

- We estimate the attributable reserves and resources relating to the mineral properties underlying our interests. Reserves and resources are estimates of the amount of minerals that can be economically and legally extracted from the mining properties in which we have royalty interests, adjusted where applicable to reflect 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 our royalty interests.

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, and 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 its 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, 2022 was \$7.6 million as compared to \$9.7 million as at September 30, 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 take into account the amount available under the ATM Program and Facility, anticipated cash flows from operating activities and our holding of cash and short-term investments. We believe we have the required 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, 2022, a 10% change in the market price of these investments would have an impact of approximately \$0.3 million on net loss.

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 three months ended December 31, 2022. Our lease liability is determined using the interest rate implicit in the lease and an increase (decrease) of 10 basis point would not have a significant impact on the net loss for the three months ended December 31, 2022.

Outstanding Share Data

As at the date hereof, we have 144,382,417 common shares, 10,350,000 common share purchase warrants, 715,927 restricted share units and 8,241,668 share options outstanding. In addition, there are 11,518,252 Ely Warrants outstanding as at the date hereof, representing the right to acquire, on valid exercise thereof (including payment of the applicable exercise price), 0.2450 of a common share plus C\$0.0001. Accordingly, the Ely Warrants are exercisable into 2,821,971 common shares.

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, 2022. 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, 2022.

Attestation report of the registered public accounting firm. This transition report on 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 transition 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 October 1, 2022 to December 31, 2022, 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 our 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 our acquisition and growth strategy;
- our future financial and operational performance, including expectations regarding projected future revenues;
- royalty and other payments to be made to the Company by the owners and operators of the projects underlying our royalties and other interests;
- expectations regarding our royalty and other interests;
- the plans of the operators of properties where we own or may acquire royalty interests;
- estimates of mineral reserves and mineral resources on the projects in which we hold royalty interests;
- estimates regarding future revenue, expenses and needs for additional financing;
- adequacy of capital and financing needs; and
- expectations regarding the impacts of COVID-19 on the operators of the properties underlying our interests.

These forward-looking statements are based on opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances, including that:

- the public disclosures of the operators regarding the properties underlying our 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 our royalty projects will be viable operationally and economically and will proceed as expected;
- any additional financing we require will be available on reasonable terms; and
- operators of the properties where we hold royalty interests will not experience any material accident, labour 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:

- dependence on third party operators;
- a substantial majority of our royalty and other interests are on exploration, advanced-exploration and development stage properties, which are non-producing and are subject to the risk that they may never achieve production;
- volatility in gold and other commodity prices;
- 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;
- we may enter into acquisitions or other material transactions at any time;
- our business, financial condition and results of operations could be adversely affected by market and economic conditions;
- the availability of any necessary financing in the future on acceptable terms or at all;
- 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;
- 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;
- 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;
- risks related to interests located in foreign jurisdictions;
- environmental risks in the jurisdictions where projects underlying our interests are located;
- potential conflicts of interests;
- opposition from Indigenous peoples may adversely impact the projects underlying our interests;
- our dependence on key management personnel;
- we hold investments in a concentrated number of equity securities and the fair values thereof are subject to loss in value;
- litigation risks; and
- the other factors discussed under “*Item 3. Key Information – D. Risk Factors*” in our Annual Report for the year ended September 30, 2022 and other disclosure documents, which are available under our profile at www.sedar.com and www.sec.gov.

This list of factors should not be construed as exhaustive. We do not intend to and do 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 our Annual Report for the year ended September 30, 2022 for further information regarding key risks faced by Gold Royalty.

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.Ge., who is our Director of Technical Services, a Qualified Person as such term is defined under National

Instrument 43-101 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 the Annual Report for further information regarding our technical information disclosure.

Additional Information

Additional information concerning our business is available under our profile at www.sedar.com.