



Nations Royalty Corp.

(formerly Vega Mining Inc.)

Management's Discussion and Analysis

For the Years Ended March 31, 2025 and 2024

(Presented in Canadian Dollars)

NATIONS ROYALTY CORP.

(formerly Vega Mining Inc.)

Management's Discussion and Analysis

For the year ended March 31, 2025

This Management's Discussion and Analysis ("MD&A") of Nations Royalty Corp. (formerly Vega Mining Inc.) (the "Company") has been prepared by management as of July 25, 2025, and should be read in conjunction with the consolidated carve-out financial statements of the Company for the years ended March 31, 2025 and 2024, and the related notes contained therein, which have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IASB"). All dollar figures stated herein are expressed in Canadian Dollars, unless otherwise noted. This MD&A contains forward-looking information. Please see the section "Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions used to develop the Company's forward-looking information. Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

DESCRIPTION OF THE BUSINESS

The Company is majority owned by the Nisga'a Nation and is focused on acquiring royalties in the resource sector. The Company changed its name from Vega Mining Inc. to Nations Royalty Corp. on May 3, 2024. The Company's common shares trade on the TSX Venture Exchange under the ticker symbol "NRC", the OTCQB market under the trading symbol "NRYCF", and the Frankfurt Stock Exchange under the trading symbol "Y96". The head office is Suite 3123 - 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and its registered and records office is located at Suite 2500 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3.

On June 18, 2024, the Company completed the Transaction (see *Reverse Takeover Transaction* below), pursuant to which it acquired all of the issued and outstanding shares of Nations Acquisition Corp. ("Nationsco") in exchange for common shares of the Company. In connection with the Transaction, the Company changed its name to Nations Royalty Corp. and changed its fiscal year end from May 31 to March 31. Following completion of the Transaction, the Company's common shares were approved for listing on Tier 2 of the TSX Venture Exchange and commenced trading on June 21, 2024, under the symbol 'NRC'.

As a majority owned company by the Nisga'a Nation, the Company's vision is to unite First Nations and Indigenous groups by acquiring and combining royalties, income and commodity streams and annual benefit payment entitlements on resource projects. The Company believes it has a first mover advantage in the Indigenous royalty space and is actively pursuing acquisition opportunities with Indigenous groups across Canada. The Company's current portfolio includes one producing royalty, and Nations Royalty Corp. is focused on acquiring royalty assets on advanced stage assets to increase future revenue beyond the Company's current portfolio which also includes four organic development stage opportunities. Nations Royalty Corp. benefits from a portfolio of assets located in Canada, significantly reducing risk to the Company and to the individual investor.

Nations Royalty is providing free advisory services to Indigenous groups that are negotiating royalties with mining companies in their Impact Benefit Agreements. The Company's goal is to provide quality advice to Indigenous groups to ensure they receive fair and equitable terms commensurate with the risks that their nations take on as mining activity occurs on their territories. These terms can include high-quality royalties, such as Net Smelter Returns ("NSR") royalties, in their Impact Benefit Agreements. This advisory process allows Nations Royalty to build trust and a strong relationship with Indigenous groups. A potential partnership with the Company on all, or a portion of, the Indigenous group's royalty payments can be explored in parallel or subsequently. Further, each successful negotiation helps the Company's business model by growing the size of the Indigenous owned royalty space.

REVERSE TAKEOVER TRANSACTION

On February 1, 2024, the Company entered into an amalgamation agreement with the Nisga'a Nation pursuant to which, among other things, the Company would acquire from the Nisga'a Nation the rights to five benefit payment entitlements (the "Royalties") in benefits agreements the Nisga'a Nation has in place in respect of mines and projects within the Golden Triangle Area, located in northwest British Columbia, in exchange for common shares of the Company (the "Transaction").

Concurrently with, and as a condition to, completion of the Transaction, 1445146 B.C. LTD. ("Finco"), a wholly-owned subsidiary of the Company, completed a private placement (the "Concurrent Financing") on

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April 9, 2024, of 11,111,112 subscription receipts (each, a "Subscription Receipt") at a price of \$0.90 per Subscription Receipt, for gross proceeds of \$10,000,001. All proceeds of the Concurrent Financing were held in escrow pending satisfaction of the closing conditions to the Transaction. Upon satisfaction of the escrow conditions, immediately prior to completion of the Transaction, each Subscription Receipt was automatically converted into one common share of Finco and the funds held in escrow were transferred to the Company's unrestricted bank account.

On June 18, 2024, the Transaction was completed by way of a three-cornered amalgamation under the provisions of the Business Corporations Act (British Columbia) whereby Finco amalgamated with Nationsco, a wholly-owned subsidiary of the Nisga'a Nation formed to hold the Royalties prior to closing and having had no other assets or material financial liabilities or obligations, with the resulting company being named Nass Valley Area Royalty Holdings Corp. ("Nass Valley Area Royalty"). All of the issued and outstanding shares of Nass Valley Area Royalty following the amalgamation were immediately exchanged for common shares of the Company on a one-for-one basis (the "Consideration Shares"). The Consideration Shares and most of the currently existing Company shares are subject to voluntary pooling restrictions and will be released over a period of 36 months from completion of the Transaction. Pursuant to the Transaction, the Company issued an aggregate of 111,100,000 common shares to the Nisga'a Nation in consideration for the assignment of the Royalties.

Upon completion of the Transaction, including the Concurrent Financing, (i) the existing shareholders of the Company held approximately 15.56% of its issued and outstanding shares; (ii) the Nisga'a Nation held approximately 76.76% of the Company's issued and outstanding shares; and (iii) the investors in the Concurrent Financing held approximately 7.68% of the Company's issued and outstanding shares.

In connection with the Transaction, the Company has entered into a shareholder rights agreement with the Nisga'a Nation pursuant to which the Nisga'a Nation is entitled to: (i) nominate four persons to the Board of Directors so long as it owns 50% or more of the issued and outstanding shares of the Company; (ii) nominate three persons so long as it owns 33% or more and less than 50% of the outstanding shares; (iii) nominate two persons so long as it owns 20% or more and less than 33% of the outstanding shares; and (iv) nominate one person so long as it owns 10% or more and less than 20% of the outstanding shares. At such time as the Nisga'a Nation owns less than 10% of the outstanding shares, it shall have no further right to nominate persons to the Board of Directors. In addition, so long as the Nisga'a Nation owns greater than 20% of the outstanding shares of the Company, the Company cannot increase the size of its Board of Directors beyond seven members without the prior consent of the Nisga'a Nation.

The legal acquisition of Nass Valley Area Royalty by the Company constitutes a reverse asset acquisition. As a result, the Transaction is accounted for in accordance with IFRS 2 – Share-based Payment, as a reverse acquisition with Nass Valley Area Royalty being identified as the accounting acquirer (legal subsidiary) and the Company being treated as the accounting acquiree (legal parent).

As consideration for 100% of the outstanding shares of the Company, Nass Valley Area Royalty issued 33,630,637 common shares with a value of \$0.90 per share, being the value of the Concurrent Financing, on a one-for-one basis to the shareholders of the Company. In addition, Nass Valley Area Royalty issued 700,000 replacement options, in exchange for previously outstanding options of the Company with a fair value of \$523,513, using the Black-Scholes valuation model with the following assumptions: i) exercise price per share of \$0.10; ii) expected share price volatility of 75%; iii) risk-free interest rate of 3.24%; iv) expected life of 5 years; v) no dividend yield. The consideration paid was allocated first to the fair value of the net assets acquired, with any excess to listing expense as follows:

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Consideration

33,630,637 common shares issued with a value of \$0.90 per share	\$	30,267,574
700,000 replacement options		523,513
	\$	30,791,087

Identifiable net assets

Cash	\$	9,328,348
Amounts receivable		106,603
Accounts payable and accrued liabilities		(1,120,185)
	\$	8,314,766

Listing expense	\$	22,476,321
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ROYALTY INTERESTS

Pursuant to the Transaction and as at the date of this MD&A, the Company is entitled to the following Annual Payments:

Brucejack

The Brucejack gold mine operated by Pretium Resources Inc. ("Pretium"), a wholly-owned indirect subsidiary of Newmont Corporation, a large underground gold mine. The Brucejack Annual Payment is equal to a fixed percentage of the Mineral Tax payable by Newmont in each calendar year under the Mineral Tax Act in respect of Brucejack.

KSM

The KSM Copper-Gold-Silver-Molybdenum project (the "KSM Project"), currently in development by Seabridge Gold Inc. The KSM Annual Payment is calculated as an amount equal to:

- (a) subject to (b) below, 11% of the amount of Mineral Tax payable by KSM in each calendar year under the Mineral Tax Act for the KSM Project; and
- (b) in respect of a year where no tax is payable under Section 2(1)(a) of the Mineral Tax Act, 5% of the amount of tax payable by KSM in each calendar year under the Mineral Tax Act for the KSM Project.

Premier Gold and Red Mountain Projects

The Premier Gold project owned by Ascot Resources Ltd. ("Ascot"), which poured first gold in April 2024 and is currently placed on care and maintenance while Ascot assesses strategic alternatives to advance the Project toward sustainable production. As well as the Red Mountain project owned by Ascot; The Premier Gold and Red Mountain Annual Payment is calculated as an amount equal to:

- (a) 20% of the Mineral Tax payable by Ascot in each calendar year under the Mineral Tax Act for each of the Premier Gold project and the Red Mountain project; and
- (b) for each calendar year after the calendar year in which debt is advanced by Ascot under certain project funding agreements, 25% of the Mineral Tax payable by Ascot in each calendar year under the Mineral Tax Act for each of the Premier Gold and Red Mountain projects.

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Kitsault Molybdenum Project

The Kitsault Molybdenum Deposit, a large, fully permitted brownfield site owned and being actively advanced by New Moly LLC, majority-owned by Resource Capital Fund VI L.P. The Kitsault Annual Payment, once operational, is the greater of:

- (a) a minimum of \$1,000,000, if the payment in (b) below is less than \$1,000,000; or
- (b) an NSR of up to 2%, determined as a sliding scale percentage of net smelter returns on all molybdenum produced at the Kitsault project located near Alice Arm, British Columbia. The royalty is based on the average molybdenum price per calendar year and is subject to minimum production levels being achieved in each calendar year.

The Annual Payment interests held by the Company are all annual payments.

Producing Royalties

As of the date of this MD&A, the Company is entitled to annual payments from the following property:

Project	Operator	Location	Metal	Royalty Type
Brucejack	Newmont Corporation	Canada	Au, Ag	Mineral Tax Royalty

The following provides an update to the producing royalties during the year ended March 31, 2025:

Brucejack

On April 23, 2025, Newmont Corporation ("**Newmont**") reported Q1 2025 gold production of 41 Koz at an all-in sustaining cost of US\$2,230 per ounce for the three months ended March 31, 2025. From April 1, 2024 to March 31, 2025, Brucejack produced 262 Koz of gold.

Development Stage Royalties

As of the date of this MD&A, the Company is entitled to annual payments or a royalty interest from the following properties that are in the development stage, and will provide royalty income for the Company once in production:

Project	Operator	Location	Metal	Royalty Type
KSM	Seabridge Gold Inc.	Canada	Au, Cu, Ag, Mo	Mineral Tax Royalty
Premier	Ascot Resources Ltd.	Canada	Au, Ag	Mineral Tax Royalty
Red Mountain	Ascot Resources Ltd.	Canada	Au, Ag	Mineral Tax Royalty
Kitsault	New Moly LLC	Canada	Mo	Net Smelter Return Royalty

The following provides an update to the Company's primary development stage assets during the year ended March 31, 2025:

KSM

The KSM project is the world's largest undeveloped gold project as measured by reserves and resources. An updated Preliminary Feasibility Study estimates proven and probable reserves total 47.3 million ounces of gold and 7.3 billion pounds of copper. Nation Royalty Corp.'s payment entitlement on the KSM project is currently a core piece for future success of the Company.

On February 19, 2025, Seabridge Gold Inc. ("Seabridge") completed a US\$100M financing which included US\$20M with a strategic investor. Net proceeds of the financing ensure continued forward momentum at

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KSM while Seabridge engages with its list of prospective joint-venture partners. This financing will support Seabridge's program to provide the remaining field data it anticipates will be required for the bankable feasibility study which could be undertaken with its future joint-venture partner.

On May 29, 2025, Seabridge Gold Inc. reported it filed a response in BC Supreme Court to petitions challenging the Environmental Assessment Office's ("EAO") decision granting Seabridge Gold's KSM project Substantially Started Designation. On July 29, 2024, the EAO determined that Seabridge's KSM project had been substantially started, ensuring that the project's Environmental Assessment Certificate is no longer subject to expiry.

Premier

On April 15, 2025, Ascot provided an update on the mine development and restart of operations at the Premier Gold Project, as well as announced the closing of the second and final tranche of its private placement financing raising a total of C\$61.1M. Ascot intends to restart the Premier mill in early-August 2025 at an initial rate of 1,250 tonnes per day with feed sourced from both the PNL and Big Missouri deposits. To support this restart, Ascot has expanded its camp capacity, increased power availability, actively recruiting personnel, and target stockpiling of 40,000 tonnes of material for processing prior to mill startup.

On May 12, 2025, Ascot announced that they are in the process of renegotiating mining and development contract rates, which are currently trending higher than current rates. If negotiations on viable mining and development contract rates are unsuccessful, the Ascot's cash flows, mine development progress, and timeline for restarting mill operations will be adversely affected.

On June 25, 2025, Ascot provided an update on the May 12th announcement and reported that negotiations with its mining contractor have not been successful in providing a mining cost structure that is satisfactory to Ascot. As a result, Ascot will not be in operation by early August as previously planned and will be placing Premier on care and maintenance. Further, Ascot has appointed a Special Committee to lead a strategic review process, and the Special Committee has retained financial advisors to assist it in considering various strategic alternatives.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the unaudited results of operations for the most recent eight quarters:

	March 31, 2025 (\$)	December 31, 2024 (\$)	September 30, 2024 (\$)	June 30, 2024 (\$)
Revenue	272,684	288,000	157,401	125,660
Net (loss) income and comprehensive (loss) income	(1,265,123)	(1,289,681)	(1,533,784)	(24,459,842)
Earnings (loss) per share, basic and diluted	(0.01)	(0.01)	(0.01)	(1.28)

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	March 31, 2024 (\$)	December 31, 2023 (\$)	September 30, 2023 (\$)	June 30, 2023 (\$)
Revenue	47,223	74,122	92,482	146,961
Net (loss) income and comprehensive (loss) income	47,223	74,122	92,482	146,961
Earnings per share, basic and diluted	0.00	0.00	0.00	0.00

RESULTS OF OPERATIONS**Three Months Ended March 31, 2025**

The Company reported net loss and comprehensive loss of \$1,265,123 for the three months ended March 31, 2025, compared to net income and comprehensive income of \$47,223 for the three months ended March 31, 2024.

The Company's revenue recorded during the three months ended March 31, 2025, was \$272,684 (March 31, 2024 - \$47,223) from accrued royalty income expected to be generated by the Brucejack gold mine (see *Royalty Interests* above). Revenue is estimated to increase as a result of a higher gold price during the quarter.

Significant items impacting the change in net loss and comprehensive loss included the following:

- an increase in share-based payments from \$Nil in Q4 2024 to \$590,696 in Q4 2025 primarily due to new issues of share options in Q1 2025 and the Company being inactive in Q4 2024;
- an increase in salaries and benefits from \$Nil in Q4 2024 to \$360,170 in Q4 2025 due to the Company being inactive in Q4 2024;
- an increase in marketing expenses from \$Nil in Q4 2024 to \$181,435 in Q4 2025 due to the Company being inactive in Q4 2024;
- an increase in travel expenses from \$Nil in Q4 2024 to \$128,110 in Q4 2025 due to the Company being inactive in Q4 2024; and
- an increase in professional fees from \$Nil in Q4 2024 to \$62,539 in Q4 2025 due to the Company being inactive in Q4 2024.

Year Ended March 31, 2025

The Company's net loss and comprehensive loss totalled \$28,548,428 for the year ended March 31, 2025 ("**2025 YTD**"), compared to net income and comprehensive income of \$360,788 for the year ended March 31, 2024 ("**2024 YTD**").

Significant items impacting the change in net loss and comprehensive loss included the following:

- an increase in share-based payments from \$Nil in 2024 YTD to \$3,281,824 in 2025 YTD primarily due to new issues of share options in Q1 2025 and the Company being inactive in 2024 YTD;
- an increase in listing expenses from \$Nil in 2024 YTD to \$22,476,321 in 2025 YTD (see *Reverse Takeover Transaction* above);
- an increase in salaries and benefits from \$Nil in 2024 YTD to \$960,963 in 2025 YTD due to the Company being inactive in 2024 YTD;
- an increase in marketing expenses from \$Nil in 2024 YTD to \$1,038,748 in 2025 YTD due to the Company being inactive in 2024 YTD;
- an increase in travel expenses from \$Nil in 2024 YTD to \$408,474 in 2025 YTD due to the Company being inactive in 2024 YTD; and
- an increase in professional fees from \$Nil in 2024 YTD to \$439,353 in 2025 YTD due to the Company being inactive in 2024 YTD.

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SELECTED ANNUAL INFORMATION

The following table provides selected financial information for the three most recently completed financial years up to March 31, 2025:

	Year ended		
	March 31, 2025 (\$)	March 31, 2024 (\$)	March 31, 2023 (\$)
Royalty Income	843,745	360,788	599,972
Net cash used in operating activities	(4,615,098)	-	-
Net income (loss) and comprehensive income (loss)	(28,548,428)	360,788	599,972
Loss per share – basic and diluted	(0.25)	-	-
Total assets	5,635,703	3,698,121	3,309,124
Total liabilities	111,220	-	-

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash balance at March 31, 2025 was \$4,713,250 (March 31, 2024 - \$Nil) with working capital (current assets less current liabilities) of \$5,524,483 (March 31, 2024 - \$413,365).

Management regularly reviews cash flow forecasts to determine whether the Company has sufficient cash reserves to meet future working capital requirements and strategic acquisition opportunities. The Company has relied principally upon the issuance of equity securities to raise funds, and the Company's primary sources of revenue are expected to be from the Brucejack royalty. The Company believes it will have access to sufficient resources for at least the next twelve months.

Cash Flow from Operating Activities

During the year ended March 31, 2025, cash used in operating activities was \$4,615,098 and was primarily impacted by operating costs and additional fees incurred for the Company's first year as a public company. During the year ended March 31, 2024, cash used by operating activities was \$Nil since the company was inactive.

Cash Flows from Investing Activities

During the year ended March 31, 2025, cash provided by investing activities was \$9,328,348 and was related to cash acquired in the Reverse Takeover Transaction (see above). During the year ended March 31, 2024, cash provided by investing activities was \$Nil since the company was inactive.

Cash Flows from Financing Activities

During the years ended March 31, 2025 and 2024, there were no transactions impacting cash flows from financing activities.

SHARE CAPITAL

As of the date of this MD&A, the Company had the following:

- 144,730,637 common shares outstanding
- 10,062,500 options outstanding
- Nil warrants outstanding

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132,852,500 of the issued and outstanding shares as of the date of this MD&A were subject to voluntary pooling restrictions pursuant to a June 2024 agreement. 106,282,000 shares remain subject to the voluntary pooling restrictions and will be released in scheduled tranches until June 2027.

RELATED PARTY TRANSACTIONS

Key management consists of personnel having the authority and responsibility for planning, directing, and controlling the activities of the Company, which are the directors and executive officers of the Company.

Compensation to key management:

	For the year ended March 31, 2025 (\$)	For the year ended March 31, 2024 (\$)
Salaries	532,500	-
Director fees	153,773	-
Consulting fees	12,500	-
Share-based compensation	1,550,221	-
Total related party expenses	2,248,994	-

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed as of the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in conformance with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The Company's material accounting policies and estimates are disclosed in Note 2 of the Company's consolidated carve-out financial statements for the year ended March 31, 2025.

ADOPTION OF NEW AND AMENDED ACCOUNTING STANDARDS

Please refer to the consolidated carve-out financial statements of the Company for the years ended March 31, 2025 and 2024, and the related notes contained therein.

FINANCIAL INSTRUMENTS

Please refer to the consolidated carve-out financial statements of the Company for the years ended March 31, 2025 and 2024, and the related notes contained therein.

PROPOSED TRANSACTIONS

While the Company continues to pursue further transactions, there are no proposed transactions as of the date of this MD&A.

CONTINGENCIES

There are no contingent liabilities as of the date of this MD&A.

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MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the CEO and CFO of the Company has filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim consolidated carve-out financial statements and it will file concurrently with this MD&A a Venture Basic Certificate with respect to the financial information in the audited annual financial statements.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures.

FORWARD-LOOKING INFORMATION

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations, performance (both operational and financial) and business prospects and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

This MD&A contains information on risks, uncertainties and other factors relating to the forward-looking information (see *Risk Factors* below). Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

RISK FACTORS

For information with respect to risks please refer to the Company's filing statement dated June 18, 2024, on SEDAR+ at www.sedarplus.ca.