



POLICY ON RECOVERY OF INCENTIVE COMPENSATION

Dated August 6, 2020



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I. PURPOSE

The purpose of this policy on the recovery of incentive compensation (the “**Policy**”), is to authorize the Board of Directors (the “**Board**”) of Nomad Royalty Company Ltd. (the “**Corporation**”) to recover, from the following persons holding one or more of the following offices with respect to the Corporation and its subsidiaries:

- the Chief Executive Officer;
 - the Chief Financial Officer;
 - the Chief Investment Officer; and
 - any other person holding a title of President, a Senior Vice President, a Vice President or any other officer duly appointed by the Board or the board of directors of any of the Corporation’s subsidiaries who performs a policy-making function in respect of the entity;
- (collectively, the “**Executives**”)

all or a portion of the respective Incentive Compensation (as defined below) to such Executives in instances where a Recalculation Event (as defined below) would be applicable to an Executive.

II. INCENTIVE COMPENSATION SUBJECT TO RECOVERY

The following “**Incentive Compensation**” earned by an Executive is subject to a recovery in accordance with the terms of this Policy:

- short-term incentive compensation related to bonuses awarded to the Executives with respect to the most recent financial year; and
- long-term incentive compensation related all cash based and equity based compensation (including, but not limited to, such long-term incentive compensation awarded pursuant to the Corporation’s stock option plan, share unit plan and deferred share unit plan) awarded to an Executive for which the value was directly related to a Recalculation Event.

III. RECALCULATION EVENTS

The occurrence of the following events shall constitute a “**Recalculation Event**” requiring a recovery in accordance with the terms of this Policy:

1. the amount of the Incentive Compensation received by an Executive was calculated based on, or contingent on, achieving (a) certain financial results that are subsequently the subject of or affected by a restatement of all or a portion of the Corporation’s financial statements or (b) reported reserves or resources which are subsequently determined to be overstated;

2. an Executive is involved in gross negligence, intentional misconduct or fraud that caused or partially resulted in such restatement, misstatement or overstatement; and
3. the Incentive Compensation payment received would have been lower had the financial results, production results or reserves and resources been properly reported.

In addition, the Board may determine whether any other facts, circumstances or legal obligations make it appropriate for the Board to consider, in the exercise of its fiduciary obligations to the Corporation and its shareholders, that a recovery of Incentive Compensation is necessary.

IV. RECOVERY PROCESS AND MANNER OF REPAYMENT

The Board shall determine the amount, if any, of the difference between the Incentive Compensation received and the actual compensation payable as a result of a Recalculation Event to be recovered. In determining the amount subject to recovery, the Board shall take into consideration in good faith an estimate of the value of any tax deduction available to the applicable Executive or such other tax efficiencies resulting from recovery in order to make a fair and equitable recovery on behalf of the Corporation.

Upon the occurrence of a Recalculation Event, before the Board determines to seek recovery pursuant to this Policy and recommendations of the Governance, Human Resources, Nominating and Compensation Committee of the Board (the “**GHRC Committee**”), the Board shall provide to the relevant Executive(s) written notice and the opportunity to be heard, at a meeting of the Board (which may take place either in person or by way of a conference call, as determined by the Board).

In the event the Board determines to seek a recovery pursuant to this Policy, it shall make a written demand for repayment from the Executive, should the Executive not, within a reasonable period, tender repayment in response to such demand, the Board would then determine that he or she is unlikely to do so, and therefore seek proper legal recourses against the Executive in reach of such repayment.

V. REVIEW

The GHRC Committee will, from time to time, review and assess the adequacy of this Policy and recommend any proposed changes for consideration. The Board may amend this Policy, as required.

This Policy was adopted by the Board of Directors on August 6, 2020.