



AUDIT COMMITTEE CHARTER

Dated August 6, 2020



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I. PURPOSE

The Audit Committee (the “**Audit Committee**”) is a committee of the board of directors (the “**Board**”) of Nomad Royalty Company Ltd. (the “**Corporation**”). The purpose of the Audit Committee is to assist the Board in its oversight of:

- A. the integrity of the financial statements, the financial reporting process and related information;
- B. the independence, qualifications and appointment and performance of the external auditor;
- C. compliance with applicable legal and regulatory requirements;
- D. disclosure, internal controls and internal audit procedures;
- E. risk management processes, credit worthiness, treasury and financial policies;
- F. whistle blower, complaint procedures and ethics policies.

In addition, the Audit Committee provides an avenue for communication between the external auditor, management, and other employees of the Corporation, as well as the Board, concerning accounting and auditing matters.

The composition and meetings of the Audit Committee are subject to the requirements set forth in the articles and by-laws of the Corporation, as well as in any investor rights agreement or similar agreements which may exist from time to time between the Corporation and certain shareholders (the “**Investor Agreements**”), as well as in applicable laws and the rules of the Toronto Stock Exchange (the “**TSX**”). The present charter is not intended to limit, enlarge or change in any way the responsibilities of the Audit Committee as determined by such articles, by-laws, Investor Agreements, applicable laws and the rules of the TSX.

II. REPORTING

The Audit Committee will report to the Board.

III. COMPOSITION OF COMMITTEE

The Audit Committee shall consist of such number of directors, in no event to be less than three, as the Board may from time to time by resolution determine. The members of the Audit Committee shall meet the independence test and other membership requirements within the meaning of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, and under other applicable laws, rules and regulations and listing requirements as determined by the Board. Each member of the Audit Committee shall continue to be a member until next annual meeting of the shareholders of the Corporation or a successor is appointed,

unless the member resigns, is removed or ceases to be a director of the Corporation. The Board may fill a vacancy that occurs in the Audit Committee at any time.

Each member shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Audit Committee. For these purposes, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

IV. CHAIR AND SECRETARY

The Chair of the Audit Committee shall be designated by the Board. The Audit Committee Chair leads the Audit Committee in all aspects of its work and is responsible to effectively manage the affairs of the Audit Committee and ensure that it is properly organized and functions efficiently. In addition to the responsibilities set forth in the Position Description of the Committee Chair adopted by the Board, which may be amended from time to time, the Audit Committee Chair shall:

- A. Provide leadership to enable the Audit Committee to act effectively in carrying out its duties and responsibilities as described elsewhere in this Charter and as otherwise may be appropriate;
- B. In consultation with the Board Chair, the Lead Director and the Chief Executive Officer (the "CEO"), ensure that there is an effective relationship between management and the members of the Audit Committee;
- C. Chair meetings of the Audit Committee;
- D. In consultation with the Board Chair, the Lead Director, the Corporate Secretary, the CEO and the Chief Financial Officer (the "CFO"), determine the frequency, dates and locations of meetings of the Audit Committee;
- E. In consultation with the CEO and CFO review the annual work plan and the meeting agendas to ensure all required business is brought before the Audit Committee to enable it to efficiently carry out its duties and responsibilities;
- F. Ensure, in consultation with the Board Chair, that all items, requiring the Audit Committee's approval, are appropriately tabled;
- G. Ensure the proper flow of information to the Audit Committee and review, with the CEO, the CFO, the Chief Investment Officer and the Corporate Secretary the adequacy and timing of materials in support of management's proposals;
- H. Report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Audit Committee at the next meeting of the Board following any meeting of the Audit Committee;

- I. Review expenses of the CEO on a quarterly basis; and
- J. Carry out any special assignments or any functions as requested by the Board.

If the Chair is not present at a meeting of the Audit Committee, the members of the Audit Committee may designate an interim Chair for the meeting by majority vote of the members present.

Unless otherwise determined by resolution of the Board, the Secretary of the Corporation or his/her delegate shall be the Secretary of the Audit Committee, provided that if the Secretary is not present, the Chair of the meeting may appoint a secretary for the meeting with the consent of the Audit Committee members who are present. A member of the Audit Committee may be designated as the liaison member to report on the deliberations of the audit committees of affiliated companies (if applicable).

V. MEETINGS

The Chair of the Audit Committee, in consultation with the Audit Committee members, shall determine the schedule and frequency of the Audit Committee meetings provided that the Audit Committee will meet at least four times in each fiscal year and at least once in every fiscal quarter. The Audit Committee shall have the authority to convene additional meetings as circumstances require.

Proceedings and meetings of the Audit Committee are governed by the provisions of by-laws of the Corporation relating to the regulation of the meetings and proceedings of the Board as they are applicable and not inconsistent with this Charter and the other provisions adopted by the Board in regards to committee composition and organization.

Notice of every meeting shall be given to the external auditor of the Corporation, and meetings shall be convened whenever requested by the external auditor or any member of the Audit Committee in accordance with applicable law. The Audit Committee shall meet separately and periodically with management and the external auditor and may meet with legal counsel or other advisors if necessary. The Audit Committee shall meet periodically with the external auditor without management being present. The Audit Committee shall meet periodically in "in camera" session in the absence of management when the Audit Committee deems necessary.

All members of the Audit Committee are expected to attend all meetings and review, in advance, the meeting materials.

VI. QUORUM AND VOTING

Unless otherwise determined from time to time by resolution of the Board, the quorum at any meeting of the Audit Committee is a majority of members in office. For any meeting(s) at which the Audit Committee Chair is absent, the Chair of the meeting shall be the person present who shall be decided upon by all members present. At a meeting, any question shall be decided by

a majority of the votes cast by members of the Audit Committee, except where only two members are present, in which case any question shall be decided unanimously.

VII. MEETING AGENDAS

Agendas for meetings of the Audit Committee shall be developed by the Chair of the Audit Committee in consultation with the management and the corporate secretary, and shall be circulated to Audit Committee members as far in advance of each Audit Committee meeting as is reasonable.

VIII. RECORDS

The Audit Committee shall keep such records as it may deem necessary of its proceedings and shall report regularly its activities and recommendations to the Board as appropriate.

IX. RESOURCES AND AUTHORITY

The Audit Committee shall have the resources and the authority to discharge its responsibilities, including the authority, in its sole discretion, to engage, at the expense of the Corporation, outside consultants, independent legal counsel and other advisors and experts as it determines necessary to carry out its duties, without seeking approval of the Board or management. The Audit Committee shall have the authority, without seeking approval of the Board or management, to set and pay the compensation for any such outside consultants, independent legal counsel and other advisors and experts employed by the Audit Committee in connection with carry out its duties.

The Audit Committee shall have the authority to conduct any investigation necessary and appropriate to fulfilling its responsibilities, and has direct access to and the authority to communicate directly with the external auditor, the counsel of the Corporation and other officers and employees of the Corporation.

The members of the Audit Committee shall have the right for the purpose of performing their duties to inspect all the books and records of the Corporation and its subsidiaries and to discuss such accounts and records and any matters relating to the financial position, risk management and internal controls of the Corporation with the officers and external auditor of the Corporation and its subsidiaries. Any member of the Audit Committee may require the external or any officers or employees of the Corporation to attend any or every meeting of the Audit Committee.

X. DUTIES AND RESPONSIBILITIES

The Corporation's management is responsible for preparing the Corporation's financial statements and the external auditor are responsible for auditing those financial statements. The Audit Committee is responsible for overseeing the conduct of those activities by the Corporation's management and external auditor.

The Audit Committee shall perform the functions customarily performed by audit committees and any other functions assigned by the Board. The specific responsibilities of the Audit Committee

shall include those listed below. The enumerated responsibilities are not meant to restrict the Audit Committee from examining any matters related to its purpose.

A. FINANCIAL REPORTING PROCESS AND FINANCIAL STATEMENTS

The Audit Committee shall:

1. In consultation with the external auditor, review the integrity of the Corporation's financial reporting process, both internal and external, and any major issues as to the adequacy of the internal controls and any special audit steps adopted in light of material control deficiencies.
2. Review, discuss with management and approve, all material transactions and material contracts entered into between (i) the Corporation or any subsidiary of the Corporation, and (ii) any subsidiary, director, officer, insider or related party of the Corporation.
3. Review and discuss with management and the external auditor: (i) the preparation of the Corporation's annual audited consolidated financial statements and its interim unaudited consolidated financial statements; (ii) whether the financial statements present fairly (in accordance with Canadian generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Corporation as of and for the periods presented; (iii) the effect of regulatory and accounting developments; (iv) any matters required to be discussed with the external auditor according to Canadian generally accepted auditing standards; (v) an annual report by the external auditor describing: (A) all critical accounting policies and practices used by the Corporation, including management judgements and accounting estimates; (B) all material alternative accounting treatments of financial information within generally accepted accounting principles that have been discussed with management of the Corporation, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the external auditor; and (C) other material written communications between the external auditor and management; and (vi) any corporate governance issues which could significantly affect the financial statements.
4. Following completion of the annual audit, review with each of: (i) management; and (ii) the external auditor; any significant issues, concerns or difficulties encountered during the course of the audit.
5. Resolve disagreements between management and the external auditor regarding financial reporting.
6. Review and recommend to the Board for approval, the interim quarterly and annual financial statements and Management's Discussion and Analysis and annual

and interim earnings press releases prior to the public disclosure of such information.

7. To the extent not previously reviewed by the Audit Committee, review and recommend to the Board for approval, all financial statements included in any prospectus or offering memoranda and all other financial reports required by regulatory authorities and/or requiring approval by the Board (including any use of pro-forma or non-IFRS information).
8. Review and be satisfied that adequate procedures are in place for the review of the public disclosure of financial information by the Corporation extracted or derived from the Corporation's financial statements and periodically assess the adequacy of those procedures.

B. OVERSIGHT OF THE EXTERNAL AUDITOR

The Audit Committee shall:

1. Require the external auditor to report directly to the Audit Committee.
2. Be directly responsible for the selection, nomination, compensation, retention, termination and oversight of the work of the Corporation's external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, and in such regard recommend to the Board the external auditor to be nominated for approval by the shareholders.
3. Approve all audit engagements and pre-approve the provision by the external auditor of all non-audit services, including fees and terms for all audit engagements and non-audit engagements, and in such regard the Audit Committee may establish the types of non-audit services the external auditor shall be prohibited from providing and shall establish the types of audit, audit related and non-audit services for which the Audit Committee will retain the external auditor. The Audit Committee may delegate to one or more of its independent members the authority to pre-approve non-audit services, provided that any such delegated pre-approval shall be exercised in accordance with the types of particular non-audit services authorized by the Audit Committee to be provided by the external auditor and the exercise of such delegated pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting following such pre-approval.
4. Review and approve the Corporation's policies for the hiring of partners and employees and former partners and employees of the present and former external auditors.

5. At least annually, obtain the audit plan of the external auditor, and discuss with the management and external auditor the scope, planning and staffing of the annual audit, and review and approve the audit plan.
6. At least annually, obtain and review a formal report by the external auditor to be submitted at least annually regarding: (i) the external auditing firm's internal quality-control procedures; and (ii) any material issues raised by the external auditor's own most recent internal quality-control review or peer review of the auditing firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the external auditor, and any steps taken to deal with any such issues.
7. At least annually, obtain and review a formal written statement of the external auditor: (i) delineating all relationships between the external auditor and the Corporation; (ii) assuring that lead audit partner rotation is carried out, as required by law; (iii) delineating any other relationships that may adversely affect the independence of the external auditor; and (iv) confirming fees billed to the Corporation by the external auditor in compliance with the disclosure requirements of Form 52-110F1 of National Instrument 52-110 - *Audit Committees*.
8. At least annually, consider, assess, and report to the Board on:
 - a. the independence of the external auditor, including that the external auditor's performance of permitted non-audit services does not impair the external auditor's independence, including the external auditor formal written statement: (i) delineating all relationships between the external auditor and the Corporation; (ii) assuring that lead audit partner rotation is carried out, as required by law; and (iii) delineating any other relationships that may adversely affect the independence of the external auditor; and
 - b. the evaluation of the external auditor, taking into account the opinions of management.

C. OVERSIGHT OF THE CORPORATION'S INTERNAL CONTROL SYSTEM

The Audit Committee shall:

1. Oversee management's design and implementation of and reporting on internal controls. The Audit Committee shall also receive and review reports from management and the external auditor on an annual basis with regard to the reliability and effective operation of the Corporation's accounting system and internal controls.
2. Understand the scope of the design and operation of the Corporation's internal control over financial reporting.

3. Review and discuss with management and the external auditor, monitor, report and, where appropriate, provide recommendations to the Board on the following:
 - a. the Corporation's systems of internal controls over financial reporting;
 - b. compliance with the policies and practices of the Corporation relating to business ethics;
 - c. compliance by directors, officers and other management personnel with the Disclosure Policy; and
 - d. the relationship of the Audit Committee with other committees of the Board, management and the Corporation's consolidated subsidiaries' audit committees.
4. Review and discuss with the CEO and CFO of the Corporation the process for the certifications to be provided in the Corporation's public disclosure documents, as required by National Instrument 52-109 - *Certification of Disclosure in Issuer's Annual and Interim Filings* and any other applicable law or stock exchange rule.
5. Review, monitor, report, and, where appropriate, provide recommendations to the Board on the Corporation's disclosure controls and procedures.
6. Establish procedures for the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, including procedures for confidential, anonymous submissions by employees regarding questionable accounting or auditing matters.

The CEO or CFO will report to the Audit Committee, and the Audit Committee will review such reports, on any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls. Where the CEO or the CFO is named in a complaint, the Board Chair or Lead Director (as applicable) will speak directly with the Audit Committee Chair.

D. OVERSIGHT OF THE CORPORATION'S RISK MANAGEMENT

1. Review, monitor, report and, where appropriate, provide recommendations to the Board on the Corporation's major business, operational, and financial risk exposures and the guidelines, policies and practices regarding risk assessment and risk management including the following:
 - a. the Corporation's processes for identifying, assessing and managing risks;
 - b. the Corporation's major financial risks, including derivative and tax risks, and operational risk exposures and the steps the Corporation has taken to monitor and control such exposures;

- c. the Corporation's major security risks and security trends, including cybersecurity risks, that may impact the Corporation's operations and business; and
 - d. the Corporation's business continuity plans, including disaster recovery plan.
2. Review, monitor, report and, where appropriate, provide recommendations to the Board on the Corporation's compliance with internal policies and practices regarding risk assessment and risk management and the Corporation's progress in remedying any material deficiencies thereto.
 3. Review all related party transactions and actual or potential conflicts of interest.

E. COMPLIANCE WITH LEGAL AND REGULATORY REQUIREMENTS

The Audit Committee shall:

1. Receive and review timely analysis by management of significant issues relating to public disclosure and reporting.
2. Review and recommend to the Board for approval, periodic public disclosure documents containing financial information, including the Management's Discussion and Analysis, annual report and Annual Information Form, if required.
3. Prepare the report of the Audit Committee required to be included in the Corporation's periodic filings.
4. Review and discuss with management, legal counsel and the external auditor, monitor, report and, when appropriate, provide recommendations to the Board on the adequacy of the Corporation's processes for complying with laws, regulations and applicable accounting standards.
5. Review, on a periodic basis with legal counsel, the Corporation's legal compliance with respect to: (a) the legal and regulatory matters which may have a material effect on the Corporation and/or its financial statements, including with respect to pending or threatened material litigations; and (b) corporate compliance policies and codes of conduct.

F. ADDITIONAL RESPONSIBILITIES

The Audit Committee shall:

1. Establish procedures and policies for the following: (a) the receipt, retention, treatment and resolution of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; (b) the confidential, anonymous submission by directors or employees of the Corporation of concerns

regarding questionable accounting or auditing matters or any potential violations of legal or regulatory provisions; and (c) receipt, retention and treatment of complaints received by the Corporation regarding any Third-Party Operators or mineral projects upon which the Corporation has a stream, royalty, or other interest.

2. To review any non-routine correspondence with regulators or governmental agencies (and management's responses thereto) and any employee complaints or published reports that raise material issues regarding the Corporation's financial statements or accounting policies.
3. Review the adequacy of the resources of the finance and accounting group, along with its development and succession plans.
4. Prepare and review with the Board an annual performance evaluation of the Audit Committee.
5. Report regularly to the Board, including with regard to matters such as the quality or integrity of the Corporation's financial statements, compliance with legal or regulatory requirements, the performance of the internal audit function, and the performance and independence of the external auditor.
6. Review and reassess the adequacy of the Audit Committee's Charter on an annual basis.

XI. LIMITATION ON THE OVERSIGHT ROLE OF THE AUDIT COMMITTEE

Nothing in this Charter is intended, or may be construed, to impose on any member of the Audit Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Audit Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives financial and other information, and the accuracy of the information provided to the Corporation by such persons or organizations.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles in Canada and applicable rules and regulations. These are the responsibility of management and the external auditor.

XII. EVALUATION OF THE AUDIT COMMITTEE AND REPORT TO BOARD

The Audit Committee shall evaluate and review with the Board, on an annual basis, the performance of the Audit Committee as a whole as well as the performance of each individual

member while taking into account: (i) in the case of the Audit Committee as a whole, the present Charter, and (ii) in the case of an individual member, the applicable position description(s), as well as the competencies and skills each individual director is expected to contribute to the Audit Committee.

The Audit Committee shall report to the Board periodically on the Audit Committee's activities.

XIII. REVIEW OF CHARTER

The Audit Committee will annually review and assess the adequacy of this Charter and recommend to the Board any proposed changes for consideration. The Board may amend this Charter, as required.

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