UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 40-F

☐ Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934

or

☒ Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended: **May 31, 2020** Commission File Number: **000-56061**

Metalla Royalty & Streaming Ltd.

(Exact name of registrant as specified in its charter)

British Columbia	**1040**	**Not Applicable**
(Province or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code)	(I.R.S. Employer Identification No.)

543 Granville Street
Suite 501
Vancouver BC
Canada V6C 1X8
(604) 696-0741

(Address and telephone number of registrant's principal executive offices)

DL Services Inc.
Columbia Center
701 Fifth Avenue, Suite 6100
Seattle, WA 98104-7043
(206) 903-8800

(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class:	Trading Symbol(s)	Name of Each Exchange On Which Registered:
None	**Not applicable**	**Not applicable**

Securities registered pursuant to Section 12(g) of the Act: **Common shares, no par value**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this form:

☒ Annual Information Form ☒ Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the registrant's classes of capital or common stock as of the close of the period covered by the annual report: **As of May 31, 2020, there were 35,114,048 common shares outstanding.**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.
☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).
☒ Yes ☐ No

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

☒ Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

EXPLANATORY NOTE

Metalla Royalty & Streaming Ltd. ("we", "us", "our" or the "Company") is a Canadian corporation that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this Annual Report on Form 40-F ("Annual Report") pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in accordance with disclosure requirements in effect in Canada, which are different from those of the United States.

FORWARD LOOKING STATEMENTS

This Annual Report, including the Exhibits incorporated by reference into this Annual Report, contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and U.S. securities legislation. The forward-looking statements herein are made as of the date of this Annual Report only, and the Company does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law. Often, but not always, forward-looking statements can be identified by the use of 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 "may", "could", "would", "might" or "will" be taken", "occur" or "be achieved". Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties, and contingencies.

Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of the Company to control or predict, that may cause the Company's actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to: risks related to epidemics, pandemics or other public health crises, including the novel coronavirus ("**COVID-19**") global health pandemic, and the spread of other viruses or pathogens, and the potential impact thereof on Metalla's business, operations and financial condition; risks related to commodity price fluctuations; the absence of control over the mining operations from which the Company will purchase precious metals pursuant to gold streams, silver streams and other agreements (collectively, "**Streams**" and each individually a "**Stream**") or from which it will receive royalty payments pursuant to net smelter returns (" **NSR Royalties**"), gross overriding royalties ("**GOR Royalties**") and other royalty agreements or interests (collectively, " **Royalties**" and each individually a " **Royalty**") and risks related to those mining operations, including risks related to international operations, government relations and environmental regulation, delays in mine construction and operations, actual results of mining and current exploration activities, conclusions of economic evaluations and changes in project parameters as plans are refined;risks related to exchange rate fluctuations ; that payments in respect of Streams and Royalties may be delayed or may never be made; risks related to Metalla's reliance on public disclosure and other information regarding the mines or projects underlying its Streams and Royalties; that some Royalties or Streams may be subject to confidentiality arrangements that limit or prohibit disclosure regarding those Royalties and Streams; business opportunities that become available to, or are pursued by Metalla; that Metalla's cash flow is dependent on the activities of others; that Metalla has had negative cash flow from operating activities; that some Royalty and Stream interests are subject to rights of other interest-holders; risks related to Metalla's material assets; risks related to global financial conditions; that Metalla is dependent on its key personnel; risks related to Metalla's financial controls; dividend policy and future payment of dividends; competition; risks related to the operators of the properties in which Metalla holds, or may acquire, a Royalty or Stream or other interest, including changes in the ownership and control of such operators; that Metalla's Royalties and Streams may have unknown defects; that Metalla's Royalties and Streams may be unenforceable; risks related to conflicts of interest of Metalla's directors and officers; that Metalla may not be able to obtain adequate financing in the future; litigation; risks related to Metalla's current credit facility and financing agreements; title, permit or license disputes related to interests on any of the properties in which Metalla holds, or may acquire, a Royalty, Stream or other interest; interpretation by government entities of tax laws or the implementation of new tax laws; credit and liquidity risk; risks related to Metalla's information systems and cyber security; risks posed by activist shareholders; that Metalla may suffer reputational damage in the ordinary course of business; risks related to acquiring, investing in or developing resource projects; risks applicable to owners and operators of properties in which Metalla holds an interest; exploration, development and operating risks; risks related to climate change; environmental risks; that exploration and development activities related to mine operations are subject to extensive laws and regulations; that the operation of a mine or project is subject to the receipt and maintenance of permits from governmental authorities; risks associated with the acquisition and maintenance of mining infrastructure; that Metalla's success is dependent on the efforts of operators' employees; risks related to mineral resource and mineral reserve estimates; that mining depletion may not be replaced by the discovery of new mineral reserves; that operators' mining operations are subject to risks that may not be able to be insured against; risks related to land title; risks related to international operations; risks related to operating in countries with developing economies; risks associated with the construction, development and expansion of mines and mining projects; risks associated with operating in areas that are presently, or were formerly, inhabited or used by indigenous peoples; that Metalla is required, in certain jurisdiction, to allow individuals from that jurisdiction to hold nominal interests in Metalla's subsidiaries in that jurisdiction; the volatility of the stock market; that existing securityholders may be diluted; risks related to Metalla's public disclosure obligations; risks associated with future sales or issuances of debt or equity securities; that there can be no assurance that an active trading market for Metalla's securities will be sustained; risks related to the enforcement of civil judgments against Metalla; risks relating to Metalla potentially being a passive foreign investment company within the meaning of U.S. federal tax laws; and other related risks and uncertainties. As a result, actual actions, events or results may differ materially from those described in the forward-looking statements, and there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended including, without limitation, those referred to in our Annual Information Form (incorporated by reference as Exhibit 99.1 to this Annual Report) under the heading "Risk Factors" and elsewhere.

Although forward-looking statements contained in the Exhibits incorporated by reference into this Annual Report are based upon what our management believes are reasonable assumptions, we cannot assure investors that actual results will be consistent with the forward-looking statements. Our forward-looking statements contained in the Exhibits incorporated by reference into this Annual Report are made as of the respective dates set forth in such Exhibits. In preparing this Annual Report, we have not updated such forward-looking statements to reflect any change in circumstances or in management's beliefs, expectations or opinions that may have occurred prior to the date hereof, and we disclaim any obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated. Accordingly, investors should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

RESOURCE AND RESERVE ESTIMATES

Unless otherwise indicated, all resource and reserve estimates included in the documents incorporated by reference into this Annual Report have been prepared in accordance with Canadian National Instrument 43-101 ("NI 43-101") and the Canadian Institute of Mining and Metallurgy Classification System. NI 43-101 is a rule developed by the Canadian securities administrators, which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of Industry Guide 7 of the United States Securities and Exchange Commission (the "SEC"), and resource information contained in the documents incorporated by reference into this Annual Report may not be comparable to similar information disclosed by U.S. companies subject to Industry Guide 7. In particular, and without limiting the generality of the foregoing, the term "resource" does not equate to the term "reserves." Under SEC Industry Guide 7 standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. The SEC's disclosure standards in Industry Guide 7 normally do not permit the inclusion of information concerning "measured mineral resources," "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by U.S. standards under Industry Guide 7 in documents filed with the SEC. U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a higher category. Under Canadian rules, estimated "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases. Investors are cautioned not to assume that all or any part of an "inferred mineral resource" exists or is economically or legally mineable. Further, while NI 43-101 permits companies to disclose economic projections contained in preliminary economic assessments and pre-feasibility studies, which are not based on "reserves", U.S. companies have not historically been permitted to disclose economic projections for a mineral property in their SEC filings prior to the establishment of "reserves." Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC's Industry Guide 7 normally only permits issuers to report mineralization that does not constitute "reserves" by SEC Industry Guide 7 standards as in-place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of "reserves" are also not the same as those of the SEC Industry Guide 7, and reserves reported by the Company in compliance with NI 43-101 may not qualify as "reserves" under SEC Industry Guide 7 standards. In addition, the documents incorporated by reference in this Annual Report may include information regarding adjacent or nearby properties on which neither we nor any parties with which we contract have any right to mine. The SEC's Industry Guide 7 does not normally allow U.S. companies to include such information in their filings with the SEC. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made public by companies that report in accordance with United States standards under Industry Guide 7.

DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

We prepare our financial statements, which are filed with this report on Form 40-F, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Accordingly, our financial statements may not be comparable to financial statements of the United States companies.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, or the portions thereof indicated below, that are filed as exhibits to this Annual Report, are incorporated herein by reference.

- Annual Information Form of the Company for the year ended May 31, 2020 (the "AIF");
- Audited Annual Consolidated Financial Statements for the year ended May 31, 2020 and notes thereto, together with the report of auditors thereon (the "2020 Financial Statements"); and
- Management's Discussion and Analysis of the Company for the year ended May 31, 2020.

CONTROLS AND PROCEDURES

Information regarding our disclosure controls and procedures, internal control over financial reporting and changes in internal control over financial reporting is included in the Management Discussion and Analysis incorporated herein by reference to Exhibit 99.3, under the heading "Disclosure Controls and Internal Control Over Financial Reporting."

Attestation Report of the Registered Public Accounting Firm

This Annual Report does not include an attestation report of the Company's registered public accounting firm because emerging growth companies are exempt from this requirement for so long as they remain emerging growth companies.

NOTICES PURSUANT TO REGULATION BTR

There were no notices required by Rule 104 of Regulation BTR that the Company sent during the year ended May 31, 2020 concerning any equity security subject to a blackout period under Rule 101 of Regulation BTR.

AUDIT COMMITTEE AND AUDITOR INFORMATION

We have a separately-designated standing audit committee established in accordance with section 3(a)(58)(A) of the Exchange Act. The following information is included in the "Audit Committee" section of our AIF, which are incorporated herein by reference to Exhibit 99.1:

- Information regarding our Audit Committee composition, independence, audit committee financial expert and pre-approval policies and procedures; and
- Information regarding fees billed by our principal accountants for each of the last two fiscal years.

CODE OF ETHICS

We have adopted a code of business conduct and ethics that applies to all of our directors, officers and employees. A copy of the code of business conduct and ethics is posted on our website at *https://www.metallaroyalty.com/corporate-governance/*. The code was most recently amended on September 24, 2019, in connection with the listing of our common shares on the NYSE American, to set forth our expectation that the Company and its personnel comply with applicable stock exchange rules, and to clarify the procedures for reporting of any concerns or violations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The following table lists as of May 31, 2020 information with respect to our known contractual obligations.

Payments due by period (in thousands of Canadian dollars)

		Less than			More than
Contractual Obligations	**Total**	**1 year**	**1 - 3 years**	**3 - 5 years**	**5 years**
Loans payable	8,980	685	8,295	0	0
Capital Finance Lease Obligations	3	3			
Purchase Obligations	1,849	1,849			
Total	10,832	2,537	8,295	0	0

In addition to the obligations above, the Company could in the future have additional commitments payable in cash and/or shares related to the acquisition of royalty and stream interests as disclosed in Note 4 of the 2020 Financial Statements, incorporated herein by reference to Exhibit 99.3. However, these payments are subject to certain triggers or milestone conditions that had not been met as of May 31, 2020.

MINE SAFETY DISCLOSURE

We do not operate any mine in the United States and have no mine safety incidents to report for the year ended May 31, 2020.

UNDERTAKINGS

We undertake to make available, in person or by telephone, representatives to respond to inquiries made by the SEC staff, and to furnish promptly, when requested to do so by the SEC staff, information relating to the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

We have previously filed with the SEC a written consent to service of process and power of attorney on Form F-X. Any change to the name or address of our agent for service shall be communicated promptly to the SEC by amendment to the Form F-X referencing our file number.

EXHIBIT INDEX

The following documents are being filed with the SEC as exhibits to this Annual Report on Form 40-F.

Exhibit	Description
99.1	Annual Information Form of the Company for the year ended May 31, 2020
99.2	Audited Annual Consolidated Financial Statements for the year ended May 31, 2020 and notes thereto, together with the report of auditors thereon
99.3	Management's Discussion and Analysis of the Company for the year ended May 31, 2020
99.4	Certifications by the Chief Executive Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.5	Certifications by the Chief Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.6	Certifications by the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Certifications by the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.8	Consent of KPMG LLP
99.9	Consent of Charles Beaudry
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Company certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

METALLA ROYALTY & STREAMING LTD.

/s/ Brett Heath
Name: Brett Heath
Title: President and Chief Executive Officer

Date: August 21, 2020



ANNUAL INFORMATION FORM
FOR THE FINANCIAL YEAR ENDED MAY 31, 2020

AUGUST 21, 2020

SUITE 501, 543 GRANVILLE STREET
VANCOUVER, B.C. V6C 1X8

METALLA ROYALTY & STREAMING LTD.
ANNUAL INFORMATION FORM
FOR THE FINANCIAL YEAR ENDED MAY 31, 2020

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INTRODUCTORY NOTES

Cautionary Note Regarding Forward-Looking Statements

This annual information form ("**AIF**") contains "forward-looking information" or "forward-looking statements" (collectively, "**forward-looking statements**") within the meaning of applicable securities legislation. The forward-looking statements are provided as of the date of this AIF and Metalla Royalty & Streaming Ltd. ("**Metalla**" or the "**Company**") does not intend to and does not assume any obligation to update forward-looking information, except as required by applicable law. For this reason and the reasons set forth below, investors should not place undue reliance on forward-looking statements.

All statements included herein that address events or developments that we expect to occur in the future are forward-looking statements. Generally, forward-looking statements can be identified by the use of forward-looking terminology 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".

The forward-looking statements are based on reasonable assumptions that have been made by Metalla as at the date hereof and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Metalla to be materially different from those expressed or implied by such forward-looking statements, including but not limited to:

- risks related to epidemics, pandemics or other public health crises, including the novel coronavirus ("**COVID-19**") global health pandemic, and the spread of other viruses or pathogens, and the potential impact thereof on Metalla's business, operations and financial condition;
- risks related to commodity price fluctuations;
- the absence of control over mining operations from which Metalla will purchase precious metals pursuant to gold streams, silver streams and other agreements (collectively, "**Streams**" and each individually a "**Stream**") or from which it will receive royalty payments pursuant to net smelter returns ("**NSR Royalties**"), gross overriding royalties ("**GOR Royalties**") and other royalty agreements or interests (collectively, "**Royalties**" and each individually a "**Royalty**") and risks related to those mining operations, including risks related to international operations, government and environmental regulation, delays in mine construction and operations, actual results of mining and current exploration activities, conclusions of economic evaluations and changes in project parameters as plans are refined;
- risks related to exchange rate fluctuations;
- that payments in respect of Streams and Royalties may be delayed or may never be made;
- risks related to Metalla's reliance on public disclosure and other information regarding the mines or projects underlying its Streams and Royalties;
- that some Royalties or Streams may be subject to confidentiality arrangements that limit or prohibit disclosure regarding those Royalties and Streams;
- business opportunities that become available to, or are pursued by Metalla;
- that Metalla's cash flow is dependent on the activities of others;
- that Metalla has had negative cash flow from operating activities;
- that some Royalty and Stream interests are subject to rights of other interest-holders;
- risks related to Metalla's sole material asset, the Santa Gertrudis Property (as defined below);
- risks related to global financial conditions;
- that Metalla is dependent on its key personnel;
- risks related to Metalla's financial controls;
- dividend policy and future payment of dividends;
- competition;
- risks related to the operators of the properties in which Metalla holds, or may acquire, a Royalty or Stream or other interest, including changes in the ownership and control of such operators;
- that Metalla's Royalties and Streams may have unknown defects;
- that Metalla's Royalties and Streams may be unenforceable;
- risks related to conflicts of interest of Metalla's directors and officers;
- that Metalla may not be able to obtain adequate financing in the future;

- litigation;
- risks related to Metalla's current credit facility and financing agreements;
- title, permit or license disputes related to interests on any of the properties in which Metalla holds, or may acquire, a Royalty, Stream or other interest;
- interpretation by government entities of tax laws or the implementation of new tax laws;
- credit and liquidity risk;
- risks related to Metalla's information systems and cyber security;
- risks posed by activist shareholders;
- that Metalla may suffer reputational damage in the ordinary course of business;
- risks related to acquiring, investing in or developing resource projects;
- risks applicable to owners and operators of properties in which Metalla holds an interest;
- exploration, development and operating risks;
- risks related to climate change;
- environmental risks;
- that exploration and development activities related to mine operations are subject to extensive laws and regulations;
- that the operation of a mine or project is subject to the receipt and maintenance of permits from governmental authorities;
- risks associated with the acquisition and maintenance of mining infrastructure;
- that Metalla's success is dependent on the efforts of operators' employees;
- risks related to mineral resource and mineral reserve estimates;
- that mining depletion may not be replaced by the discovery of new mineral reserves;
- that operators' mining operations are subject to risks that may not be able to be insured against;
- risks related to land title;
- risks related to international operations;
- risks related to operating in countries with developing economies;
- risks associated with the construction, development and expansion of mines and mining projects;
- risks associated with operating in areas that are presently, or were formerly, inhabited or used by indigenous peoples;
- that Metalla is required, in certain jurisdiction, to allow individuals from that jurisdiction to hold nominal interests in Metalla's subsidiaries in that jurisdiction;
- the volatility of the stock market;
- that existing securityholders may be diluted;
- risks related to Metalla's public disclosure obligations;
- risks associated with future sales or issuances of debt or equity securities;
- that there can be no assurance that an active trading market for Metalla's securities will be sustained;
- risks related to the enforcement of civil judgments against Metalla; and
- risks relating to Metalla potentially being a passive foreign investment company within the meaning of U.S. federal tax laws,

as well as those factors discussed under the heading " *Risk Factors*" in this AIF.

Forward-looking statements included in this AIF include statements regarding:

- the completion of the Fosterville Transaction and the Exploration Royalty Portfolio Transaction (as defined below);
- our plans and objectives;
- our future financial and operational performance;
- expectations regarding the Streams of Metalla;
- royalty payments to be paid to Metalla by property owners or operators of mining projects pursuant to each Royalty;
- the future outlook of Metalla and the mineral reserves and resource estimates for the Santa Gertrudis gold property (the " **Santa Gertrudis Property**") and other properties with respect to which the Company has or proposes to acquire an interest;
- future gold and silver prices;

- the date upon which owners and operators of properties in which Metalla holds, or may acquire, an interest who have had their operations affected by COVID-19 will restart operations or resume planned operations;
- other potential developments relating to, or achievements by, the counterparties for our Stream and Royalty agreements, and with respect to the mines and other properties in which we have, or may acquire, a Stream or Royalty interest;
- estimates of future production, costs and other financial or economic measures;
- prospective transactions, growth and achievements;
- financing and adequacy of capital; and
- future payment of dividends.

Estimates of mineral resources and mineral reserves are also forward-looking statements because they involve estimates of mineralization that will be encountered in the future, and projections regarding other matters that are uncertain, such as future costs and commodity prices.

Forward-looking statements are based on a number of material assumptions, which management of Metalla believe to be reasonable, including, but not limited to, that Metalla will complete the Fosterville Transaction and the Exploration Royalty Portfolio Transaction, that owners and operators of properties in which Metalla holds, or may acquire, an interest who have had their operations affected by COVID-19 will restart their operations on the timetables currently proposed by such persons, the continuation of mining operations from which Metalla will purchase precious or other metals or in respect of which Metalla will receive Royalty payments, that commodity prices will not experience a material decline, mining operations that underlie Streams or Royalties will operate in accordance with disclosed parameters and achieve their stated production outcomes and such other assumptions as may be set out herein.

Although Metalla has attempted to identify important factors that could cause actual actions, events or results to differ materially from those contained in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. Investors and readers of this AIF should also carefully review the risk factors set out in this AIF under the heading "*Risk Factors*".

Technical and Third-Party Information and Cautionary Note for United States Readers

Except where otherwise stated, the disclosure in this AIF relating to properties and operations in which Metalla holds Royalty, Stream or other interests, including the disclosure in this AIF under the heading "*Material Assets"* is based on information publicly disclosed by the owners or operators of these properties and information/data available in the public domain as at the date hereof, and none of this information has been independently verified by Metalla. Specifically, as a Royalty or Stream holder, Metalla has limited, if any, access to properties on which it holds Royalties, Streams, or other interests in its asset portfolio. The Company may from time to time receive operating information from the owners and operators of the mining properties, which it is not permitted to disclose to the public. Metalla is dependent on, (i) the operators of the mining properties and their qualified persons to provide information to Metalla, or (ii) on publicly available information to prepare disclosure pertaining to properties and operations on the properties on which the Company holds Royalty, Stream or other interests, and may have limited or no ability to independently verify such information. Although the Company does not have any knowledge that such information may not be accurate, there can be no assurance that such third-party information is complete or accurate. Some reported public information in respect of a mining property may relate to a larger property area than the area covered by Metalla's Royalty, Stream or other interest. Metalla's Royalty, Stream or other interests may cover less than 100% of a specific mining property and may only apply to a portion of the publicly reported mineral reserves, mineral resources and or production from a mining property.

As at the date of this AIF the Company considers its Royalty and Stream interests in the Santa Gertrudis Property to be its only material mineral property for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). Information included in this AIF with respect to the Santa Gertrudis Property has been prepared in accordance with the exemption set forth in section 9.2 of NI 43-101.

Unless otherwise noted, the disclosure contained in this AIF of a scientific or technical nature for the Santa Gertrudis Property is based on the technical report entitled "*Technical Report, Updated Resource Estimate And Preliminary Economic Assessment On The Santa Gertrudis Gold Property, Sonora State, Mexico Latitude 30^{o} 38' N Longitude 110^{o} 33' W*" having an effective date of August 22, 2014 which technical report was prepared for GoGold Resources Inc. ("**GoGold**"), and filed under GoGold's SEDAR profile on www.sedar.com, and information that has been provided by GoGold and/or has been sourced from their news releases with respect to the Santa Gertrudis Property.

Unless otherwise indicated, all of the mineral reserves and mineral resources disclosed in this AIF have been prepared in accordance with NI 43-101. Canadian standards for public disclosure of scientific and technical information concerning mineral projects differ significantly from the requirements of the Industry Guide 7 ("**Guide 7**") adopted by the United States Securities and Exchange Commission (the " **SEC**") under the U.S. Securities Act of 1933, as amended. In particular, and without limiting the generality of the foregoing, the terms "Mineral Reserve", "Proven Mineral Reserve" and "Probable Mineral Reserve" are Canadian mining terms as defined in accordance with NI 43-101 and CIM Standards. These definitions differ from the definitions in Guide 7, and therefore may not qualify as reserves under Guide 7 standards. Under Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority. Under Guide 7 standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made.

In addition, the terms "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC subject to Guide 7. Accordingly, resource information contained herein may not be comparable to similar information disclosed by U.S. companies under Guide 7. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves or that they can be mined economically or legally. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Historical results or feasibility models presented herein are not guarantees or expectations of future performance. It cannot be assumed that all, or any part, of an inferred mineral resource will ever be upgraded to a higher category. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or that it can be economically or legally mined. Further, while NI 43-101 permits companies to disclose economic projections contained in pre-feasibility studies and preliminary economic assessments, which are not based on "reserves", U.S. companies have not historically been permitted to disclose economic projections for a mineral property in their SEC filings prior to the establishment of "reserves". Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian reporting standards; however, Guide 7 normally only permits issuers to report mineralization that does not constitute "reserves" by Guide 7 standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this AIF contains descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of Guide 7 under the United States federal securities laws and the rules and regulations thereunder.

Charles Beaudry, M.Sc., P.Geo. and géo. for Metalla and a "Qualified Person" under NI 43-101 has reviewed and approved the written scientific and technical disclosure contained in this AIF.

Currency Presentation

All dollar amounts referenced as "C$", "CAD" or "CAD$" are references to Canadian dollars, all references to "US$", "USD" or "USD$" are references to United States dollars, and all dollar amounts referenced as "AUD$" or "A$" are references to Australian dollars.

The following table sets out the high and low rates of exchange for one U.S. dollar expressed in Canadian dollars in effect at the end of each of the following periods, the average rate of exchange for those periods, and the rate of exchange in effect at the end of each of those periods, each based on the rate published by the Bank of Canada.

	Year Ended May 31	
	2020	**2019**
Rate at end of period	C$1.3787	C$1.3527
Average rate during period	C$1.3407	C$1.3224
High rate for period	C$1.4496	C$1.3642
Low rate for period	C$1.2970	C$1.2803

CORPORATE STRUCTURE

Metalla was incorporated on May 11, 1983 pursuant to the *Company Act* (British Columbia) under the name Cactus West Explorations Ltd. The Company's name was changed to Cimarron Minerals Ltd. and its share capital was consolidated on a five (old) for one (new) basis, on April 29, 1996. On May 1, 2000, the Company's name was changed to DiscFactories Corporation, and its share capital was consolidated on a two (old) for one (new) basis and the Company was continued into the federal jurisdiction under the *Canada Business Corporations Act*. On February 20, 2007, the Company completed a change of business transaction pursuant to which it changed its name from DiscFactories Corporation to Excalibur Resources Ltd. On January 11, 2010, its share capital was consolidated on an eight (old) for one (new) basis. On December 1, 2016 it changed its name from Excalibur Resources Ltd. to Metalla, and completed a share consolidation on a three (old) for one (new) basis. On November 16, 2017, Metalla continued under the *Business Corporations Act* (British Columbia) ("**BCBCA**").

On December 17, 2019 (the "**Effective Date**"), Metalla completed a share consolidation (the "**Share Consolidation**") on a one Common Share (new) to four Common Shares (old) basis. Unless otherwise indicated in this AIF, all references to Common Shares, Common Share purchase warrants, stock options or RSUs issued prior to the Effective Date (collectively, the "**Consolidated Securities**"), including the exercise price and/or conversion prices in respect to any of the Consolidated Securities, have been adjusted to reflect this Share Consolidation. Please refer to "*General Development of the Business - Current Business of Metalla - 3 Year History - Share Consolidation* " for more information regarding the Share Consolidation.

The Company's head office is located at 501-543 Granville Street, Vancouver, British Columbia, V6C 1X8, Canada. The Company's registered and records office is located at Suite 2800, 666 Burrard Street, Vancouver, British Columbia, V6C 2Z7, Canada.

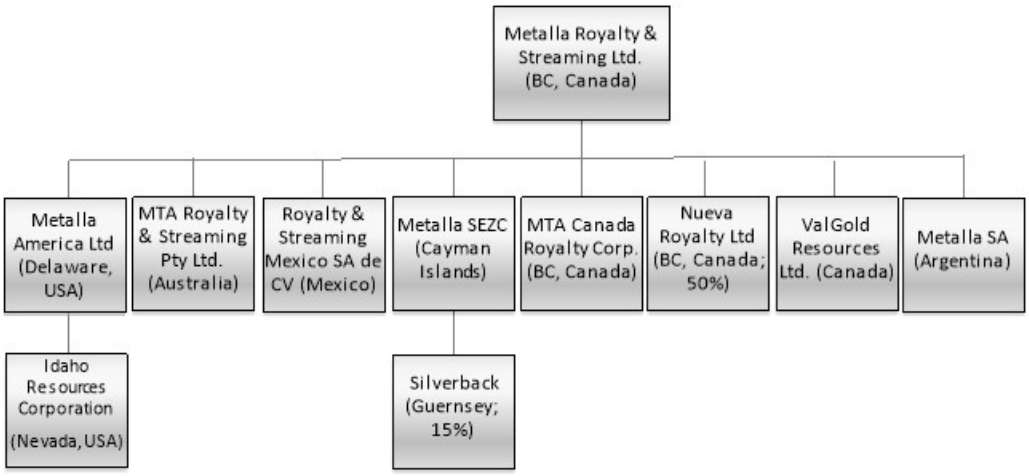
The Company is a reporting issuer in British Columbia, Alberta, Manitoba, Ontario, Nova Scotia, and Newfoundland. As at the date of this AIF, the Company's common shares (the "**Common Shares**") are listed on the TSX Venture Exchange (the "**TSX-V**") under the symbol "MTA", on the NYSE American LLC ("**NYSE**") under the symbol "MTA", and on the Frankfurt Exchange under the Symbol "X9C".

The Company has nine material subsidiaries: (i) MTA Canada Royalty Corp. which was incorporated under the laws of British Columbia; (ii) Valgold Resources Ltd. ("**Valgold**") which was incorporated under the laws of British Columbia; (iii) MTA Royalty & Streaming Pty Ltd. which was incorporated under the laws of Australia; (iv) Metalla S.A. which was incorporated under the laws of Argentina; (v) Royalty & Streaming Mexico, S.A. de C.V. which was incorporated under the laws of Mexico; (vi) Metalla SEZC which was incorporated under the laws of Cayman Islands; (vii) Metalla America Ltd. ("**MTA America**") which was incorporated under the laws of the State of Delaware; and (viii) Nueva Royalty Ltd. which was incorporated under the laws of British Columbia.

MTA America has one wholly owned subsidiary, Idaho Resources Corporation, which was incorporated under the laws of Nevada. Metalla SEZC has a 15% interest in Silverback Limited, a private Guernsey based company, which solely owns 100% of the New Luika Gold Mine silver Stream.

Inter-Corporate Relationships

The chart below illustrates the Company's material inter-corporate relationships as at the date hereof:



GENERAL DEVELOPMENT OF THE BUSINESS

Prior Business of Metalla

Prior to 2016, Metalla (operating as Excalibur Resources Ltd. at the time) was engaged in the business of exploration and development of mineral properties. Readers are referred to the public disclosure of Metalla and Excalibur Resources Ltd. for further information concerning the operations of Metalla prior to June 1, 2017.

Current Business of Metalla - 3 Year History

Acquisition of Royalty and Streaming Portfolio from Coeur

On July 31, 2017, Metalla purchased a portfolio of 3 Royalties and 1 Stream from Coeur Mining, Inc. (" **Coeur**") in exchange for a total of 3,636,649 Common Shares and an unsecured convertible debenture in the principal amount of US$6,677,475.63 (the "**Convertible Debenture**"). The total consideration for the Royalty and Stream portfolio was US$13.0 million.

The Convertible Debenture included terms to automatically convert into Common Shares of Metalla at future financings or asset acquisitions to maintain Coeur's 19.9% interest until the outstanding principal was either converted in full or otherwise repaid. The Convertible Debenture was unsecured and bore interest at a rate of 5% per annum. The Convertible Debenture was fully converted on February 12, 2019.

The portfolio included the following:

- Endeavor Silver Stream - a silver Stream over the Endeavor Mine located in North-central New South Wales, Australia and once the region's largest zinc, lead and silver producer. Commissioned in 1983 as the Elura Mine, the site has been operated by CBH Resources Limited ("**CBH Resources**") since 2003 at which time the site was renamed Endeavor. The Endeavor orebody is similar to others in the Cobar Basin in that it has the form of massive vertical pillars. Extraction of some 30 million tonnes of ore has occurred with remaining unextracted reserves. Metalla has the right to buy 100% of the silver production up to 20.0 million ounces (12.6 million ounces remaining under the contract) from the Endeavor Mine for an operating cost contribution of US$1.00 for each ounce of payable silver, indexed annually for inflation, plus a further increment of 50% of the silver price when the market price of silver exceeds US$7.00 per ounce.

- Joaquin Project - a 2.0% NSR Royalty on the Joaquin Property. The Joaquin Property was purchased by Pan American Silver Corp. ("**Pan American**") (NASDAQ:PAAS) for US$25 million in January 2017. The project is composed of seven contiguous claims, totaling 28,660 hectares. It is located in the Santa Cruz Province, Argentina, approximately 145 kilometers from Pan American's Manantial Espejo mine, where it is planned the Joaquin ore will be processed.

- Zaruma Gold Mine - a 1.5% NSR Royalty on the Zaruma Gold Mine which owned by Titan Minerals Ltd (ASX:TTM) and is located in the Zaruma-Portovelo Mining District of southern Ecuador, 3km north of the town of Zaruma. This district is a significant, high-grade goldfield, having produced over 5 million ounces of gold historically.

- Puchuldiza Project - a 1.5% NSR Royalty on the Puchuldiza Project in Chile. In May of 2019, due to a failure of Regulus Resources Inc. to maintain the mining concessions in good standing, Metalla acquired 9 mining concessions underlying the 1.5% NSR Royalty for C$100,000 and subsequently extinguished the 1.5% NSR Royalty. Metalla currently holds 5 of the concessions in good standing and allowed 4 of the concessions to lapse.

Please refer to “Secondary Bought Deal Offering of Coeur Common Shares” section below for more information regarding sale of Common Shares previously held by Coeur.

Akasaba West Royalty

On May 14, 2018, Metalla acquired a 2% NSR Royalty on the Akasaba West Property. The Akasaba West Property is a gold-copper deposit located in the Bourlamaque and Louvicourt Townships, Val d'Or, Quebec. The Akasaba West Property is owned and operated by Agnico Eagle Mines Limited ("**Agnico**") (NYSE:AEM). Agnico acquired the Akasaba West Property in 2014 and has continued previous permitting and development activities, with a view to commencing mining activities in 2020.

Agnico has the right to buy back 1% of the 2% NSR Royalty for US$7 million, and the Royalty will be payable after gold production has exceeded 210,000 ounces.

Completion of Arrangement with ValGold Resources Ltd. and acquisition of Garrison Royalty

On July 31, 2018, Metalla completed a plan of arrangement to acquire all outstanding common shares of ValGold which holds the Garrison Royalty and an exploration and evaluation project. Under the terms of the arrangement, shareholders of ValGold received 0.1667 Common Shares for each ValGold common share.

On the closing of this arrangement the following occurred:

- Metalla issued 2,414,993 Common Shares in exchange for common shares and in-the-money stock options of ValGold; and

- Outstanding Share purchase warrants of ValGold became exercisable to acquire up to 654,208 Common Shares at C$2.40 per Common Share, expiring October 6, 2019.

As a result of the acquisition of ValGold, Metalla acquired a 2% NSR Royalty on a significant portion of the Garrison Project previously 100% owned by Osisko Mining Inc. ("**Osisko**"), including the claims which were the subject of an NI 43-101 compliant resource estimate in 2014. The Garrison Project is situated directly on the prolific Destor-Porcupine Fault Zone, which is host to numerous gold mines. The Royalty covers the Garrcon, Jonpol, and eastern portion of the 903 deposit.

Osisko took over the Garrison Project in December 2015 when it acquired Northern Gold Mining Inc. and announced the start of a 20,000 metre drill program in July 2016. To-date, Osisko has drilled over 85,000 metres and made 12 announcements of drill results (the most recent on February 15, 2018) on all three main deposits on the Garrison Project and announced a mineral resource estimate for the Garrison Project on February 19, 2019.

On July 5, 2019, Osisko completed a plan of arrangement whereby the Garrison Project was transferred by spin out to O3 Mining Corporation.

Loan Agreements

On October 29, 2018, Metalla entered into three loan agreements with three arm's length lenders (the " **Three Lenders**") for aggregate principal amount of US$1,750,000 (the "**Three Loans**"). The proceeds from the Three Loans were used to pay, in part, the US$6 million cash portion of the acquisition price for the 2% NSR Royalty on the Santa Gertrudis Property (see sections titled Santa Gertrudis Royalty and Material Assets for further information). The terms of the Three Loans included interest at a rate of 5.0% per annum, calculated annually, and a term of twelve months. As an inducement for providing the Three Loans, Metalla agreed to provide the Three Lenders an origination discount of US$52,500, in total, and issue the Three Lenders an aggregate of 131,250 non-transferable Common Share purchase warrants (the "**Loan Warrants**"). Each Loan Warrant entitles the holder to acquire one Common Share at an exercise price of C$3.40 for a period of two years.

On December 5, 2018, Metalla entered into a fourth loan in the amount of US$250,000 with a arm's length lender (the " **Fourth Loan**"). In connection with this increase, Metalla agreed to issue the arm's length lender an aggregate of 18,750 non transferable Common Share purchase warrants (the "**Broker Warrants**") with Broker Warrant entitling the holder to purchase one Common Share at an exercise price of C$3.40 for a period of two years.

On August 7, 2019, Metalla fully paid the amounts owing under the Three Loans and the Fourth Loan upon the initial drawdown of the Original Beedie Loan (see Establishment of the C$12,000,000 Convertible Loan Facility section below) and, as a result, no amounts remain outstanding under the Three Loans and the Fourth Loan.

Santa Gertrudis Royalty

In November 2017, GoGold sold the Santa Gertrudis Property to Agnico for US$80 million (C$105 million) in cash in and retained a 2% NSR Royalty. See *Material Assets - Santa Gertrudis Property* section for further information about the Santa Gertrudis Property including the mineral resource estimate in relation thereto.

On November 7, 2018, Metalla acquired the 2% NSR Royalty over the Santa Gertrudis Property located north of Hermosillo in Sonora, Mexico, for US$12 million, 1% of which can be bought back at any time for US$7.5 million. The Royalty was purchased from GoGold Resources Inc. ("**GoGold**"), the owner of the Royalty at the time of the transaction. Metalla paid US$6 million in cash and issued 2,530,769 Common Shares to GoGold for the Royalty.

COSE Royalty

On December 20, 2018, Metalla acquired a 1.5% NSR Royalty on certain mining rights located on the Cap-Oeste Sur East property (" **COSE**") located in the province of Santa Cruz, Argentina for a purchase price of US$1.5 million cash (partially funded by the Fourth Loan). Metalla also received a right of first refusal in favour of Metalla to acquire a future net smelter returns royalty that may be granted by, or received by, the seller (or an affiliate) on its Cap-Oeste mine.

The COSE Property is a gold and silver project located in the province of Santa Cruz, Argentina that is 100% owned by Minera Triton Argentina S.A., a wholly-owned subsidiary of Pan American. The COSE Property is a fully-permitted mine that has been developed at a total cost of US$23.9 million, since Pan American acquired the property from Patagonia Gold for US$15 million in May 2017.

Completion of Private Placement

Metalla completed a private placement of 2,187,202 units at a price of C$3.12 per unit in two tranches on December 21, 2018 and January 4, 2019 for aggregate gross proceeds of C$6,824,070. Each unit consisted of one Common Share and one half of one Common Share purchase warrant (the "**Private Placement Warrants**"). Each Private Placement Warrant entitles the holder thereof to acquire one Common Share of the Company at a price of C$4.68 for a period of 24 months from the closing date of each tranche subject to acceleration (see *Warrant Expiry Acceleration*).

This offering was led by Haywood Securities Inc., on behalf of a syndicate of agents, including PI Financial Corp. and Canaccord Genuity Corp. The net proceeds from this private placement are being used to finance Royalty and Stream acquisitions and for general and working capital purposes.

Acquisition of Fifteen Mile Stream Royalty

On February 12, 2019, Metalla acquired a 1% NSR Royalty on Atlantic Gold Corporation's (" **Atlantic Gold**") Fifteen Mile Stream Project for US$4,000,000 pursuant to a royalty purchase agreement dated February 4, 2019 from a private vendor. The private vendor was paid US$2.2 million in cash and issued 654,750 Common Shares in consideration for the Royalty.

The Fifteen Mile Stream Project is a gold project located 57km northeast of Atlantic Gold's central milling facility at Touquoy and is readily accessible by highway. The Fifteen Mile Stream Project lies along the same geological trend as other related deposits - Touquoy, Beaver Dam and Cochrane Hill - and all are hosted within the same critical stratigraphy and structure, over a strike length of 80 km. The Royalty is in connection with two claims which cover the Egerton-Maclean, Hudson, 149 East Zone, and the majority of the Plenty deposit which collectively comprise the Fifteen Mile Stream Project located in Nova Scotia, Canada. The Royalty covers all products mined or otherwise recovered from the Fifteen Mile Stream Project.

On July 19, 2019, Atlantic Gold was acquired by St. Barbara Limited. (" **St. Barbara**"). On August 16, 2019, Metalla acquired an additional NSR Royalty in the Fifteen Mile Stream Project (see *Additional Fifteen Mile Stream Royalty* for more details).

Acquisition of Alamos Royalty Portfolio - First Closing

On April 1, 2019, Metalla entered into an asset purchase agreement with Alamos Gold Inc. (together with its affiliates, " **Alamos**") for the acquisition of a Royalty portfolio of up to 18 NSR Royalties or options to acquire NSR Royalties including, but not limited to, the following assets:

- El Realito Royalty - 2.0% NSR Royalty on the El Realito Property which is owned and operated by Agnico located adjacent to its operating La India Mine. El Realito is a satellite deposit located adjacent to Agnico's operating La India Mine in Sonora, Mexico. Agnico can buy back 1.0% of the Royalty for US$4 million at any time and holds a 60-day right of first refusal on the sale of the 2.0% Royalty.
- Wasamac Royalty - 1.5% NSR Royalty on the Wasamac Mine currently under development by Monarch Gold Corporation (" **Monarch**") located 15km west of Rouyn-Noranda in Quebec; Monarch has the right to buy back 0.5% of the NSR Royalty for a one-time payment of C$7.5 million at any time.
- La Fortuna Royalty Option - option to purchase a 1.0% NSR Royalty on the La Fortuna Mine currently under development by Minera Alamos Inc. located in Durango State, Mexico. Metalla has the option to purchase the 1% NSR Royalty from Alamos for US$0.6 million payable in cash or common shares at the option of Metalla for a period of two years.
- Beaufor Royalty - 1.0% NSR Royalty on the producing underground Beaufor Mine operated by Monarch, located 20km northeast of Val d'Or, Quebec, once Monarch has extracted 100,000 ounces of gold from the claims.
- San Luis Royalty - 1.0% NSR Royalty on the San Luis property owned by SSR Mining Inc. (" **SSR**") and located in the Ancash Department, central Peru.

The first closing occurred on April 17, 2019 and Metalla issued 2,054,752 Common Shares for the initial acquisition of 13 NSR Royalties and 2 options to purchase NSR Royalties. Certain Royalties in the portfolio were subject to rights of first refusal, consents, and future options at agreed to prices were to be acquired at a second or additional closings.

Beedie Convertible Loan Facility

On March 29, 2019, Metalla entered into a convertible loan facility (the " **Original Beedie Loan**") for up to C$12.0 million with Beedie Capital ("**Beedie**") to fund acquisitions of new Royalties and Streams. The Original Beedie Loan was funded by way of an initial advance of C$7.0 million within 90 days from closing of the Original Beedie Loan. The initial drawdown of C$7.0 million from the Original Beedie Loan occurred on August 7, 2019.

See *Amendment, Conversion and Drawdown of Beedie Convertible Loan Facility* below for further details about subsequent amendments, conversions and drawdowns under the Original Beedie Loan.

Alamos Royalty Portfolio - Second Closing

On June 20, 2019, Metalla entered into an amended and restated asset purchase agreement and completed a second closing for the purchase of the El Realito Royalty (which was subject to a 60 day right of first refusal by Agnico) and the Biricu Royalty. As consideration for the Biricu Royalty, Metalla issued 2,574 Common Shares.

Metalla also agreed to purchase from Alamos a 2.75% NSR Royalty on the Orion gold-silver project (that was not part of the existing Alamos Royalty portfolio) owned by Minera Frisco S.A.B. C.V. located in Nayarit, Mexico at a future third closing for 64,373 Common Shares.

Additional Fifteen Mile Stream Royalty

On August 16, 2019, Metalla acquired a 3.0% NSR Royalty on St. Barbara's Plenty deposit and Seloam Brook prospect, which forms part of St. Barbara's Fifteen Mile Stream Project, for C$2 million from a third-party in accordance with a purchase and sale agreement. As consideration for the transaction, Metalla made an upfront payment of C$0.5 million in cash, with an additional payment of up to C$1.5 million upon the exercise of the royalty payor's buy back right to purchase two-thirds of the 3.0% NSR Royalty for a period of five years.

Share Consolidation

Metalla completed a Share Consolidation on the basis of one new Common Share for every four Common Shares (1:4) effective as of the Effective Date, being December 17, 2020.

The Share Consolidation effected all securities of Metalla outstanding as of the Effective Date and, consequently, all Common Shares, Common Share purchase warrants, stock options and RSUs issued prior to the Effective Time, including the exercise price and/or conversion prices thereof, were adjusted on a 1:4 basis.

Listing on the NYSE

On January 8, 2020, Metalla commenced trading on the NYSE American LLC (the " **NYSE**") under the ticker symbol "MTA" and ceased trading on the over the counter venture market ("**OTCQB**").

Acquisition of NuevaUnion royalty portfolio

On February 18, 2020, Metalla, along with its joint venture partner Nova Royalty Corp. (formerly, BatteryOne Royalty Corp.) (" **Nova**" and, collectively with Metalla, the "**Purchasers**"), jointly acquired a 2.0% NSR Royalty on future gold production from a portion of the La Fortuna deposit and prospective exploration grounds forming part of the NuevaUnion project located in the Huasco Province in the Atacama region of Chile (collectively, the "**NuevaUnion Project**"). The NuevaUnion Project is jointly owned by Newmont Corporation (" **Newmont**") and Teck Resources Limited ("**Teck**"), and is one of the largest undeveloped copper-gold-molybenum projects in the world.

As consideration for the transaction, the Purchasers will pay a total of US$8 million to be satisfied in cash and common shares of the Purchasers. Metalla has agreed to pay 25% of the purchase price and Nova will pay 75% of the purchase price in proportion to the underlying commodity at the La Fortuna deposit. A total of US$3 million in cash was paid by the Purchasers on closing of the transaction and the balance of the purchase price is US$1 million in cash that is payable one year from the closing date along with an additional US$4 million that is payable equally in cash and common shares of the Purchasers upon the achievement of commercial production at the La Fortuna deposit (such common share price to be calculated based on a 10-day volume weighted average price as of the date prior to issuance or cash in certain circumstances) .

Under the joint venture arrangement, Metalla will be entitled to all payments under the NSR Royalty with respect to gold production and Nova will be entitled to all payments under the NSR Royalty with respect to copper production, and all other payments under the NSR Royalty will be split evenly between the Purchasers.

Filing of Base Shelf Prospectus and Prospectus Supplement

On May 1, 2020, Metalla filed a short form base shelf prospectus (the " **Shelf Prospectus**") with the securities regulatory authorities in each of the provinces of Canada and a corresponding registration statement on Form F-10 (the "**Registration Statement**") with the United States Securities and Exchange Commission under the Multijurisdictional Disclosure System established between Canada and the United States.

The Shelf Prospectus and the Registration Statement will enable the Company to make offerings of up to C$200 million of Common Shares, warrants, subscription receipts, units and share purchase contracts or a combination thereof of the Company from time to time, separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of the offering and as set out in an accompanying prospectus supplement, during the 25-month period that the Shelf Prospectus and Registration Statement remain effective.

On June 23, 2020, Metalla filed a prospectus supplement qualifying the distribution of 3,400,000 Common Shares (the " **Offered Shares**") to be sold by Coeur at a price of US$5.30 per Common Share by way of Secondary Offering (as defined below). See "*Secondary Bought Deal Offering of Coeur Common Shares"* for additional details regarding the Secondary Offering.

Acquisition of Idaho Resource Corporation

On May 22, 2020, Metalla acquired 100% of the issued and outstanding shares of Idaho Resources Corporation (" **IRC**"), a Nevada corporation, for an aggregate amount of US$4 million satisfied by the issuance of 357,121 Common Shares at a price of $7.88 per Common Share and US$2 million in cash.

IRC holds a 0.5% GOR Royalty on Nevada Gold Mine Corp.'s (" **Nevada Gold**") Anglo/Zeke claim block in Eureka County, Nevada, which is located on a trend to the southeast of the Cortez operations and Goldrush project owned by Nevada Gold. Nevada Gold is a joint venture between Barrick Gold Corporation ("**Barrick**") (61.5%) and Newmont (38.5%).

IRC also holds a 1.5% GOR Royalty covering NuLegacy Gold Corporation's (" **NuLegacy**") Red Hill project in Eureka County, Nevada, which is continuous to the southeast of the Anglo/Zeke claim block.

Subsequent Events to May 31, 2020

Acquisition of Wharf royalty

On June 30, 2020, Metalla acquired a 1.3875% NSR Royalty on the operating Wharf mine (" **Wharf**") owned by Coeur from various third-party sellers for a total purchase price of US$8.0 million. In conjunction with this transaction, Metalla agreed to sell a 0.3875% NSR Royalty to Coeur in consideration for the transfer of 421,554 Common Shares of Metalla held by Coeur, representing US$2.23 million in value based on a price of US$5.30 per Common Share.

As a result, Metalla acquired a net 1.0% royalty interest in the Wharf mine for a total consideration of US$5.77 million, consisting of US$1.0 million in cash and the issuance of 899,201 Common Shares.

Wharf has been in production since 1983 and is an open pit, heap leach operation located in the Northern Black Hills of South Dakota. Wharf was originally acquired by Coeur in February 2015 from Newmont Mining Corporation, formerly Goldcorp Inc. ("**Newmont**") for cash consideration of approximately US$99.5 million.

Secondary Bought Deal Offering of Coeur Common Shares

On June 30, 2020, Metalla and Coeur completed a public offering of 3,910,000 Common Shares held by Coeur at a price of US$5.30 per Common Share for gross proceeds to Coeur of US$20,723,000 (the "**Secondary Offering**"), including 510,000 Common Shares offered as a result of the full exercise of the over-allotment option by the underwriters to the Secondary Offering.

The net proceeds of the Secondary Offering were paid directly to Coeur, and Metalla did not receive any proceeds from the Secondary Offering.

Prior to the completion of the Secondary Offering, Coeur owned 5,241,310 Common Shares, representing approximately 14.9% of the issued and outstanding Common Shares. Following the completion of the Secondary Offering and the repurchase by Coeur from Metalla of a 0.3875% royalty interest in Coeur's Wharf mine in exchange for 421,554 Common Shares previously held by Coeur (as described in the section "*Acquisition of Wharf royalty"* above), Coeur's ownership of Metalla is now below reporting requirement thresholds for the purposes of applicable Canadian and U.S. securities laws.

Acquisition of Fosterville Royalty

On July 27, 2020, Metalla announced that it entered into a purchase and sale agreement with NuEnergy Gas Limited (" **NuEnergy**") to acquire an existing 2.5% NSR Royalty on the northern and southern portions of Kirkland Lake Gold Ltd.'s ("**Kirkland Lake**") operating Fosterville mine in Victoria, Australia (collectively, the "**Fosterville Transaction**").

In consideration for the 2.5% NSR Royalty, Metalla will pay NuEnergy A$2 million in cash and issue NuEnergy 467,730 Common Shares representing A$4 million in value based on the ten (10) trading day volume weighted average price of the Common Shares on the TSXV ("**VWAP**") on the date prior to announcing the transaction. The Fosterville Transaction is subject to customary closing conditions, including obtaining the requisite TSXV and NYSE approvals and Foreign Investment Review Board ("**FIRB**") approval, and is expected to close in October 2020.

Amendment, Conversion and Drawdown of Beedie Convertible Loan Facility

On July 29, 2020, Metalla announced that it had reached an agreement with Beedie to amend and restate the Original Beedie Loan (the "**Amended and Restated Beedie Loan**" and, collectively with the Original Beedie Loan, the " **Beedie Loan Facility**") pursuant to which (i) Beedie converted C$6.0 million of the outstanding C$7.0 million principal amount drawn under the Original Beedie Loan at a conversion price of C$5.56 per Common Share for a total of 1,079,136 Common Shares; (ii) the conversion price of the previously undrawn C$5.0 million tranche of the Original Beedie Loan was increased from C$5.56 to C$9.90 per Common Share; and (iii) the aggregate amount available under the Beedie Loan Facility was increased by an additional C$20 million. The second drawdown of $5.0 million pursuant to the Amended and Restated Beedie Loan occurred on August 6, 2020 at a conversion price of C$9.90 per Common Share.

The principal amount of the remaining C$1.0 million outstanding under the Original Beedie Loan (the " **Initial Advance**") will be convertible, at any time, at the option of Beedie, into Common Shares at a conversion price of C$5.56 per Common Share (the "**Initial Advance Conversion Price**"), representing a 25% premium to the 30-day VWAP per Common Share as of March 15, 2019. The principal amount of the $5.0 million drawdown under the Amended and Restated Beedie Loan (the "**Second Advance**") will be convertible at any time at the option of Beedie into Common Shares at a conversion price of C$9.90 per Common Share (the "**Second Advance Conversion Price**"), representing a 27% premium to the 30-day VWAP per Common Share as of July 28, 2020. Any future advances from the additional $20.0 million made available by Beedie will require a minimum drawdown of $2.5 million by Metalla with a conversion price based on a 20% premium to the 30-day VWAP of the Common Shares on the date of such advance.

Metalla may also elect to convert any or all of the principal amount outstanding on the Initial Advance and Second Advance if, for a period of thirty consecutive trading days on the TSXV, the 30-day VWAP of the Common Shares at the close of trading on such trading day equals or exceeds a 50% premium to the Initial Advance Conversion Price or the Second Advance Conversion Price.

The Beedie Loan Facility carries an interest rate of 8.0% on advanced funds and 1.5% on standby funds with principal repayment due on April 22, 2023. The Beedie Loan Facility is secured by certain assets of Metalla and can be repaid with no penalty at any time after the 12-month anniversary of each advance.

Warrant Expiry Acceleration

On August 6, 2020, Metalla announced that, in accordance with the terms of the Acceleration Warrants (as defined herein), it is electing to accelerate the expiry of certain outstanding Common Share purchase warrants of Metalla exercisable at $4.68 per Common Share and broker warrants exercisable at $3.12 per Common Share (collectively, the "**Acceleration Warrants**"). The Acceleration Warrants were issued pursuant to a brokered private placement of the Company that closed in two tranches on December 21, 2018 and January 4, 2019.

If all of the outstanding Acceleration Warrants are exercised, gross proceeds payable to Metalla will total approximately $2,342,870. The proceeds from the exercise of the Acceleration Warrants will be primarily used by the Company to continue to execute on its growth strategy, as well as for general corporate and working capital purposes.

Other Royalties

On August 18, 2020, Metalla entered into a purchase agreement to acquire up to four exploration-stage NSR Royalties in Australia (the "**Exploration Royalty Portfolio Transaction**") for cash consideration of $1.0 million. The Royalties are subject to a right of first refusal by each royalty payor and closing of the Exploration Royalty Portfolio Transaction is subject to customary closing conditions, including FIRB approval.

For a list of Royalty interests held by Metalla and not described above, see the chart below under the section *Description of Business - Principal Product.*

COVID-19

Metalla continues to monitor and assess the impacts of COVID-19 on its employees and business. At this time, all employees continue to work remotely. Metalla is closely monitoring the unpredictable impact of the COVID-19 pandemic on its portfolio of assets. On March 23, 2020, Pan American announced operations at its COSE and Joaquin mines in Argentina had been temporarily suspended in response to the COVID-19 pandemic; however on June 1, 2020, Pan American announced that underground mining at the Joaquin mine had resumed on May 2, 2020 and high-grade stockpiled ore was being hauled to the Manantial Espejo plant for processing, development work preparing the underground mine at COSE had resumed on May 4, 2020, and that Pan American expected to begin mining and hauling ore from COSE to the Manantial Espejo plant in the third quarter of 2020.

On March 30, 2020, the Mexican General Health Council declared a national health emergency and, on March 31, 2020, the Federal Health Ministry of Mexico issued extraordinary measures due to COVID-19 which resulted in the suspension of operations on the properties underlying the Santa Gertrudis and El Realito royalty assets held by Metalla. As part of the phased re-start of economic activities in Mexico, the Government of Mexico declared mining an essential industry on May 13, 2020 and also permitted the gradual re-start of mining operations beginning on May 18, 2020, in municipalities where there are no COVID-19 cases and which do not border municipalities with COVID-19 cases. Agnico has disclosed that exploration drilling resumed at the Santa Gertrudis Property on May 30, 2020 and that exploration drilling at El Realito has resumed as well.

DESCRIPTION OF THE BUSINESS

Metalla is a publicly traded precious metals royalty and streaming company listed on the TSX-V, NYSE and Frankfurt Exchange. Metalla's business model is focused on managing and growing its portfolio of Royalties and Streams. Metalla's long-term goal is to provide its shareholders with a model which provides:

- exposure to precious metals price optionality;
- a perpetual discovery option over large areas of geologically prospective lands which it acquires at no additional cost other than the initial investment;
- limited exposure to many of the risks associated with operating companies;
- free cash-flow and limited cash calls;
- high margins that can generate cash through the entire commodity cycle;
- diversity that is scalable, in which a large number of assets can be managed with a small stable overhead; and
- management focus on forward-looking growth opportunities rather than operational or development issues.

A royalty is a non-dilutive asset level perpetual interest in an underlying mineral project that, when in production, provides topline cash relative to the percentage of the royalty. Depending on the nature of a royalty interest, the laws applicable to it and the specific project, the royalty holder is generally not responsible for, and has no obligation to contribute to operating or capital costs or environmental liabilities. An NSR Royalty is generally based on the value of production or net proceeds received by an operator from a smelter or refinery for the minerals sold. These proceeds are usually subject to deductions or charges for transportation, insurance, smelting and refining costs as set out in the agreement governing the terms of the royalty.

Principal Product

In the past four years, Metalla has deployed over C$96 million, comprised of cash consideration, Common Shares, and other equity related structures issued to sellers, across 18 transactions amassing a portfolio of 50 Royalties and Streams. Metalla's portfolio provides exposure to established counterparties, including Agnico, Pan American, CBH, SSR, St. Barbara, Newmont, Teck, Barrick and many more.

The principal products of Metalla are: (i) precious metals that it has agreed to purchase pursuant to Stream agreements that it has entered into with mining companies; and (ii) Royalty payments pursuant to Royalty agreements acquired by Metalla or entered into with mining companies. Metalla is focused on precious metal streams and royalties for gold and silver.

The Company's sole material asset is its Royalty interest in the Santa Gertrudis Property.

The following table summarizes the Royalty and Stream interests that are owned by Metalla or are under contract to be acquired:

	Property	**Operator**	**Location**	**Stage**	**Metal**(1)	**Terms**
1.	Santa Gertrudis	Agnico	Sonora, Mexico	Development	Au	2% NSR Royalty (subject to a 1.0% buy back for US$7.5M)
2.	Wharf	Coeur	South Dakota	Production	Au	1.0% Net Royalty
3.	Fosterville	Kirkland Lake Gold	Australia	Production	Au	2.5% NSR Royalty(3)

	Property	Operator	Location	Stage	Metal[1]	Terms
4.	Joaquin Mine	Pan American	Santa Cruz, Argentina	Production	Ag, Au	2% NSR Royalty
5.	COSE Mine	Pan American	Santa Cruz, Argentina	Production	Ag, Au	1.5% NSR Royalty
6.	New Luika	Shanta Gold	Lupa Goldfields, Tanzania	Production	Au	Stream on 15% of Ag
7.	Endeavor Mine	CBH Resources	NSW Australia	Care and Maintenance	Zn, Pb, Ag	Stream on 100% of Ag
8.	Fifteen Mile Stream (Hudson, Egerton-Maclean, 149 East Zone, Plenty deposit)	St Barbara	Nova Scotia	Development	Au	1% NSR Royalty
9.	Fifteen Mile Stream (Plenty deposit and Seloam Brook prospect)	St Barbara	Nova Scotia	Development	Au	3% NSR Royalty (subject to Royalty payor's buy back right to purchase two-thirds of the 3.0% NSR Royalty for a period five years)
10.	NuevaUnion	Newmont and Teck	Chile	Development	Au, Cu, Mo	2.0% NSR Royalty[4]
11.	Garrison Mine	O3 Mining Corporation	Kirkland Lake, ON	Development	Au	2% NSR Royalty
12.	Hoyle Pond Extension	Newmont Mining	Timmins, Canada	Development	Au	2% NSR, subject to 500Koz exemption
13.	Zaruma	Titan Minerals	Ecuador	Development	Au	1.5% NSR Royalty
14.	Timmins West Extension	Pan American Silver	Timmins, Canada	Development	Au	1.5% NSR Royalty (subject to a 0.75% buy back)
15.	Akasaba West	Agnico Eagle	Val d'Or, Canada	Development	Au, Cu	2% NSR Royalty, payable after 210Koz Au (subject to a 1.0% buy back)

	Property	Operator	Location	Stage	Metal[(1)]	Terms
16.	Aureus East Mine (Previously Dufferin)	Aurelius Minerals Inc.	Halifax, Canada	Development	Au	1.0 % NSR Royalty
17.	El Realito	Agnico Eagle	Sonora, Mexico	Development	Au	2.0 % NSR Royalty (subject to 1.0% buy back)
18.	La Fortuna	Minera Alamos Inc.	Durango, Mexico	Development	Au	Option - 1.0 % NSR Royalty
19.	Wasamac	Monarch	Rouyn-Noranda, Quebec	Development	Au	1.5% NSR Royalty (subject to 0.5% buy back)
20.	Beaufor Mine	Monarch	Val d'Or, Quebec	Development	Au	1.0% NSR Royalty, with 100,000 ounce exemption
21.	San Luis	SSR Mining	Peru	Development	Au	1.0% NSR Royalty
22.	Anglo/Zeke	Nevada Gold	Nevada	Exploration	Au	0.5% GOR Royalty
23.	Red Hill	NuLegacy	Nevada	Exploration	Au	1.5% GOR Royalty
24.	TVZ Zone	Newmont	Timmins, Canada	Exploration	Au	2% NSR Royalty
25.	DeSantis Mine	Canadian Gold Miner	Timmins, Canada	Exploration	Au	1.5% NSR Royalty
26.	Bint Property	Glencore	Timmins, Canada	Exploration	Au	2.0% NSR Royalty
27.	Colbert/Anglo	Newmont Mining	Timmins, Canada	Exploration	Au	2.0% NSR Royalty
28.	Montclerg	IEP	Timmins, Canada	Exploration	Au	1.0% NSR Royalty
29.	Pelangio Poirier	Pelangio Exp.	Timmins, Canada	Exploration	Au	1.0% NSR Royalty
30.	DNA	Kirkland Lake Gold	Cochrane, Canada	Exploration	Au	2.0% NSR Royalty
31.	Beaudoin	Explor Resources	Timmins, Canada	Exploration	Au, Ag	0.4% NSR Royalty
32.	Grenfell	Pelangio Exp.	Kirkland Lake, Canada	Exploration	Au	0.25% NSR Royalty
33.	Mirado Mine	Orefinders	Kirkland Lake, Canada	Exploration	Au	1.0% NSR Royalty + Option

	Property	Operator	Location	Stage	Metal[1]	Terms
34.	Solomon's Pillar	Private Party	Greenstone, Canada	Exploration	Au	1.0% NSR Royalty
35.	Puchuldiza	Not Applicable	Chile	Exploration	Au	1.5% NSR Royalty[2]
36.	Los Patos	Private Party	Venezuela	Exploration	Au	1.5% NSR Royalty
37.	Big Island	Voyageur Mineral Explorers Corp.[5]	Flin Flon, Manitoba	Exploration	Au	2.0% NSR Royalty
38.	Biricu	Minaurum Gold Inc	Guerrero, Mexico	Exploration	Au	2.0% NSR Royalty
39.	Boulevard	Independence Gold	Yukon, Ontario	Exploration	Au	1.0% NSR Royalty
40.	Camflo Northwest	Monarch	Val d'Or, Quebec	Exploration	Au	1.0% NSR Royalty
41.	Edwards Mine	Trillium Mining	Wawa, Ontario	Exploration	Au	1.25% NSR Royalty
42.	Goodfish Kirana	Warrior Gold	Kirkland Lake, Ontario	Exploration	Au	1.0% NSR Royalty
43.	Kirkland-Hudson	Kirkland Lake Gold	Kirkland Lake, Ontario	Exploration	Au	2.0% NSR Royalty
44.	Pucarana	Buenaventura	Peru	Exploration	Au	Option - 1.8% NSR Royalty
45.	Capricho	Pucara Resources	Peru	Exploration	Au	1.0% NSR Royalty
46.	Lourdes	Pucara Resources	Peru	Exploration	Au	1.0% NSR Royalty
47.	Santo Tomas	Pucara Resources	Peru	Exploration	Au	1.0% NSR Royalty
48.	Guadalupe/Pararin	Pucara Resources	Peru	Exploration	Au	1.0% NSR Royalty
49.	Tower Mountain	White Metal Resources Corp.	Canada	Exploration	Au	2.0% NSR Royalty
50.	Orion	Minera Frisco	Mexico	Exploration	Au, Ag	2.75% NSR Royalty[3]

Notes:
(1) "Au" means gold, "Ag" means silver, "Ph" means lead, "Zn" means Zinc, "Cu" means copper and "Mo" means Molybdenum,
(2) 1.5% Royalty has subsequently been extinguished upon acquisition of the underlying concessions by Metalla. See heading *General Development of the Business - Current Business of Metalla - 3 Year History - Acquisition of Royalty and Streaming Portfolio from Coeur* above.
(3) Not currently owned by Metalla. Under contract to be acquired, subject to customary closing conditions.
(4) Under the joint venture arrangement with Nova, Metalla will be entitled to all payments under the NSR Royalty with respect to gold production and Nova will be entitled to all payments under the NSR Royalty with respect to copper production, and all other payments under the NSR Royalty will be split evenly between the Purchasers.
(5) Formerly Copper Reef Mining Corporation prior to a name change announced on August 15, 2020.

Further details regarding the purchase agreements entered into by Metalla in respect of certain Stream and Royalty acquisition agreements with respect to development or production properties can be found under the heading *General Development of the Business* above.

Competitive Conditions

Metalla will compete with other companies that operate in the stream and royalty market segment to acquire Streams and Royalties. Metalla will also compete with companies that provide financing to mining companies. Metalla also competes with other precious metals focused companies for capital and human resources. See section *Description of the Business - Risk Factors - Competition*.

Components

Metalla expects to purchase or acquire Royalties or Streams as previously described above under the heading *Description of the Business*.

Employees

As at the date of this AIF, Metalla has a total of 3 full time and 5 part time employees. No management functions of Metalla are performed to any substantial degree by persons other than the directors and executive officers of the Company.

Foreign Operations

Metalla currently purchases or expects to purchase precious or other metals or receives or expects to receive payments under Royalties from mines or operations in Australia, Argentina, Mexico, Canada, Tanzania, Ecuador, Peru, and Chile. Metalla may in the future purchase precious metals or receive payments under Royalties from mines or operations in other countries. Changes in legislation, regulations or governments in such countries are beyond Metalla's control and could adversely affect the Company's business. The effect of these factors cannot be predicted with any accuracy by Metalla or its management. See section *Description of the Business - Risk Factors - International Interests* in this AIF.

RISK FACTORS

Investing in the securities of the Company is speculative and involves a high degree of risk due to the nature of our business and the present stage of its development. The following risk factors, as well as risks currently unknown to us, could materially and adversely affect our future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, contained herein, each of which could cause purchasers of our securities to lose part or all of their investment. The risks set out below are not the only risks we face; risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, results of operations and prospects.

Investors should carefully consider all of the information disclosed in this AIF prior to investing in the securities of Metalla. In addition to the other information presented in this AIF, the following risk factors should be given special consideration when evaluating an investment in such securities. These risk factors could materially affect Metalla's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to Metalla. The risk factors described in this AIF are not the only risks that Metalla faces. Additional risks or uncertainties that Metalla does not have any knowledge of or are currently deemed as immaterial, could also materially adversely affect Metalla.

Risks Relating to Metalla

Public Health Crises, including the COVID-19 Pandemic, may Significantly Impact Metalla

Metalla's business, operations and financial condition could be materially adversely affected by public health crises, including epidemics, pandemics and/or other health crises, such as the outbreak of COVID-19. The current COVID-19 global health pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices (including precious metals) and has raised the prospect of a global recession. The international response to COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in consumer activity, globally. Public health crises, such as the COVID-19 outbreak, can result in operating, supply chain and project development delays that can materially adversely affect the operations of third parties in which Metalla has an interest. Mining operations in which Metalla holds a Royalty or Stream interest ("**Mining Operations**") have been, and may in the future be, suspended for precautionary purposes or as governments declare states of emergency or other actions are taken in an effort to combat the spread of COVID-19. The re-initiation of operational suspensions at the COSE and Joaquin mines, or at the Santa Gertrudis Property, or the implementation of additional operational suspensions at one or more of the properties in which Metalla holds a Royalty, Stream or other interest and from which it receives or expects to receive significant revenue is suspended, may have a material adverse impact on Metalla's profitability, results of operations, financial condition and the trading price of Metalla's securities.

The risks to Metalla's business associated with COVID-19 include without limitation, the risk of breach of material contracts and customer agreements, risks to employee health and workforce productivity at Mining Operations, the possibility of increased insurance premiums, limitations on travel, the availability of industry experts and personnel, prolonged restrictive measures put in place in order to control an outbreak of contagious disease or other adverse public health developments globally and other factors that will depend on future developments beyond Metalla's control, which may have a material and adverse effect on Metalla's business, financial condition and results of operations. In addition, Metalla may experience business interruptions as a result of the re-initiation or initiation of suspensions or operational reductions at the mines in which Metalla has an interest, relating to the COVID-19 outbreak or such other events that are beyond the control of Metalla, which could in turn have a material adverse impact on Metalla's business, operating results, financial condition and the market for its securities. As at the date of this AIF, the duration of any business disruptions and related financial impact of the COVID-19 outbreak cannot be reasonably estimated.

Changes in Commodity Prices that underlie Royalty, Stream or Other Interests

The price of Metalla's Common Shares may be significantly affected by declines in commodity prices. The revenue derived by Metalla from its asset portfolio will be significantly affected by changes in the market price of commodities that underlie the Royalty, Stream or other investments or interests of Metalla. Metalla's revenue is particularly sensitive to changes in the price of gold and silver. Any future cash flow derived from silver Streams is dependent on the future price of silver. The price of gold, silver and other commodities fluctuates daily and are affected by factors beyond the control of Metalla, including levels of supply and demand, industrial development, inflation and interest rates, the U.S. dollar's strength and geo-political events. External economic factors that affect commodity prices can be influenced by changes in international investment patterns, monetary systems and political developments.

The Chinese market is a significant source of global demand for commodities. A sustained slowdown in China's growth or demand, or a significant slowdown in other markets, in either case, that is not offset by reduced supply or increased demand from other regions could have an adverse effect on the price and/or demand for the products in respect of which we have Streams, Royalties or other interests. The COVID-19 pandemic and efforts to contain it have had a significant effect on commodity prices and demand as well as broader impacts on the global economy. See also "*Risk Factors - Risks Related to Mines and Mining Operations - Public Health Crises, including the COVID-19 Pandemic may Significantly Impact Metalla*"

All commodities, by their nature, are subject to wide price fluctuations and future material price declines will result in a decrease in revenue and may cause a suspension or termination of production by relevant operators, which would result in a complete cessation of revenue from applicable Royalties, Streams or working interests. Even if Metalla works to ensure a diversification of commodities that underlie its Royalties, Streams and other interests, the commodity market trends are cyclical in nature and a general downturn in commodity prices could result in a significant decrease in overall revenue.

Fosterville and Exploration Royalty Portfolio Transactions

There is no certainty that the Fosterville Transaction or the Exploration Royalty Portfolio Transaction will be completed, or completed as announced, and any consequences of such non completion on Metalla may be difficult or impossible to predict.

Metalla Has No Control Over Mining Operations

Metalla is not directly involved in the operation of mines. The revenue Metalla may derive from its portfolio of Royalty and Stream assets and other interests based entirely on production from third-party mine owners and operators. Metalla is party to precious metal purchase agreements to purchase a certain percentage of precious metals or other metals produced by certain mines and operations and Metalla expects to receive payments under Royalty agreements based on production from certain mines and operations, however, Metalla will not have a direct interest in the operation or ownership of those mines and projects. The owners and operators generally will have the power to determine the manner in which the properties are exploited, including decisions to expand and continue or reduce, suspend or discontinue production from a property, to make decisions about the marketing of products extracted from the property and to make decisions to advance exploration efforts and conduct development of non producing properties. The interests of third-party owners and operators and those of Metalla in respect of a relevant project or property may not always be aligned. The inability of Metalla to control the operations for the properties in which it has a Royalty, Stream or other interest may result in a material adverse effect on the profitability of Metalla, the results of operations of Metalla and its financial condition. Except in a limited set of circumstances as may be specified in respect of a specific Stream, Royalty or other interest, Metalla will not receive compensation if a specific mine or operation fails to achieve or maintain production or if the specific mine or operation is closed or discontinued. In addition, a number Mining Operations are currently in exploration stage and may not commence commercial production and there can be no assurance that if such operations do commence production that they will achieve profitable and continued production levels. In addition, the owners or operators may take action contrary to policies or objectives of Metalla; be unable or unwilling to fulfill their obligations under their agreements with Metalla; have difficulty obtaining or be unable to obtain the financing necessary to move projects forward; or experience financial, operational or other difficulties, including insolvency, which could limit the owner or operator's ability to perform its obligations under arrangements with Metalla. Metalla is also subject to the risk that a specific mine or project may be put on care and maintenance or have its operations suspended, on both a temporary or permanent basis.

The owners or operators of the projects or properties in which Metalla holds a Royalty, Stream or other interest may from time to time announce transactions, including the sale or transfer of the projects or of the operator itself, over which Metalla has little or no control. If such transactions are completed it may result in a new operator controlling the project, who may or may not operate the project in a similar manner to the current operator which may positively or negatively impact Metalla. If any such transaction is announced, there is no certainty that any such transaction will be completed, or completed as announced, and any consequences of such non completion on Metalla may be difficult or impossible to predict.

Metalla is subject to the risk that Mining Operations may shut down on a temporary or permanent basis due to issues including but not limited to economic conditions, lack of financial capital, flooding, fire, pandemics (including the COVID-19 pandemic), weather related events, mechanical malfunctions, community or social related issues, social unrest, the failure to receive permits or having existing permits revoked, collapse of mining infrastructure including tailings ponds, expropriation and other risks. For example, in response to the COVID-19 pandemic and the resulting governmental laws and regulations, operations at each of the COSE and Joaquin mines, and the Santa Gertrudis Property, were suspended. These issues are common in the mining industry and can occur frequently. There is a risk that the carrying values of Metalla's assets may not be recoverable if the mining companies operating the Mining Operations cannot raise additional finances to continue to develop those assets. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Mining Operations becoming uneconomic resulting in their shutdown and closure. Metalla is not entitled to purchase gold, silver or other commodities, receive royalties or other economic benefit from the Mining Operations if no gold, silver or other commodities are produced from the Mining Operations.

Variations in Foreign Exchange Rates

Foreign exchange rates have seen significant fluctuation in recent years. A depreciation in the value of the Canadian Dollar against one or more of the currencies in which Metalla receives payments under the Royalties and Streams could have a material adverse effect on the profitability of Metalla, its results of operations and financial condition.

Metalla's consolidated revenue, expenses and financial position may be impacted by fluctuations in foreign exchange rates as payments in foreign currencies are translated into Canadian Dollars. Metalla has not hedged its exposure to currency fluctuations. Currency fluctuations in other international currencies in which Metalla receives payments under the Royalties and Streams could have an equal or greater effect including the payment of the Royalty on the COSE mine which may be made in either Argentinian Pesos or United States Dollars at the option of the payor.

Delay Receiving or Failure to Receive Payments

Metalla is dependent to a large extent upon the financial viability and operational effectiveness of owners and operators of the relevant mines and mineral properties underlying Metalla's Streams and Royalties. Payments from production generally flow through the operator and there is a risk of delay and additional expense in receiving such revenues. Payments may be delayed by restrictions imposed by lenders, delays in the sale or delivery of products, the ability or willingness of smelters and refiners to process mine products, recovery by the operators of expenses incurred in the operation of the Royalty or Stream properties, the establishment by the operators of reserves for such expenses or the insolvency of the operator. Metalla's rights to payment under the Royalties and Streams must, in most cases, be enforced by contract without the protection of the ability to liquidate a property. This inhibits Metalla's ability to collect amounts owing under its Royalties and Streams upon a default. Additionally, some agreements may provide limited recourse in particular circumstances which may further inhibit Metalla's ability to recover or obtain equitable relief in the event of a default under such agreements. In the event of a bankruptcy of an operator or owner, it is possible that an operator may claim that Metalla should be treated as an unsecured creditor and, therefore, have a limited prospect for full recovery of revenue and a possibility that a creditor or the operator may claim that the Royalty or Stream agreement should be terminated in the insolvency proceeding. Failure to receive payments from the owners and operators of the relevant properties or termination of Metalla's rights may result in a material and adverse effect on Metalla's profitability, results of operations and financial condition.

Third-Party Reporting

Metalla relies on public disclosure and other information regarding specific mines or projects that is received from the owners or operators of the mines or other independent experts. The information received may be susceptible to being imprecise as a result of it being compiled by certain third parties. The disclosure created by Metalla may be inaccurate if the information received contains inaccuracies or omissions, which could create a material adverse effect on Metalla. Further, Metalla must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the Mining Operations, and uses such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with respect to the Streams and Royalties. If the information provided by such third parties to Metalla contains material inaccuracies or omissions, the Company's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on Metalla.

In addition, a Royalty or Stream agreement may require an owner or operator to provide Metalla with production and operating information that may, depending on the completeness and accuracy of such information, enable Metalla to detect errors in the calculation of Royalty or Stream payments that it receives. As a result, the ability of Metalla to detect payment errors through its associated internal controls and procedures is limited, and the possibility exists that Metalla will need to make retroactive revenue adjustments. Of the Royalty or Stream agreements that Metalla enters into, some may provide Metalla the right to audit the operational calculations and production data for associated payments; however, such audits may occur many months following the recognition by Metalla of the applicable revenue and may require Metalla to adjust its revenue in later periods.

As a holder of an interest in a Royalty or Stream, Metalla will have limited access to data on the operations or to the actual properties underlying the Royalty or Stream. This limited access to data or disclosure regarding operations could affect the ability of Metalla to assess the performance of the Royalty or Stream. This could result in delays in cash flow from that which is anticipated by Metalla based on the stage of development of the properties covered by the assets within the portfolio of Metalla.

Disclosure Regarding Operations

Some Royalties or Streams may be subject to confidentiality arrangements which govern the disclosure of information with regard to the Royalty or Stream and, as such, Metalla may not be in a position to publicly disclose non public information with respect to certain Royalties or Streams. The limited access to data and disclosure regarding the operations of the properties in which Metalla has an interest, may restrict the ability of Metalla to enhance its performance which may result in a material and adverse effect on the profitability of Metalla, results of operations for Metalla and financial condition. There can be no assurance that Metalla will be successful in obtaining these rights when negotiating the acquisition of Royalties or Streams.

Strategy for Acquisitions

As Metalla executes on its business plan, it intends to seek to purchase additional Royalties and Streams from third parties. Metalla cannot offer any assurance that it can complete the Fosterville Transaction, the Exploration Royalty Portfolio Transaction or any other acquisition or proposed business transactions on favourable terms or at all, or that any completed acquisitions or proposed transactions will benefit Metalla.

At any given time Metalla may have various types of transactions and acquisition opportunities in various stages of review, including submission of indications of interest and participation in discussions or negotiations in respect of such transactions. This process also involves the engagement of consultants and advisors to assist in analyzing particular opportunities. Any such acquisition or transaction could be material to Metalla and may involve the issuance of securities by Metalla to fund any such acquisition. Any such issuance of securities may result in substantial dilution to existing shareholders and may result in the creation of new control positions. In addition, any such acquisition or other Royalty or Stream transaction may have other transaction specific risks associated with it, including risks related to the completion of the transaction, the project operators or the jurisdictions in which assets may be acquired.

Additionally, Metalla may consider opportunities to restructure its Royalties or Streams where it believes such a restructuring may provide a long term benefit to Metalla, even if such restructuring may reduce near term revenues or result in Metalla incurring transaction-related costs. Metalla may enter into one or more acquisitions, restructurings or other Royalty and Streaming transactions at any time..

Metalla Cash Flow Risk

Metalla is not directly involved in the ownership or operation of mines. Metalla's Royalty, Stream and other interests in properties or projects are subject to most of the significant risks of the operating mining company. Metalla's cash flow is dependent on the activities of third parties which could create risk that those third parties may have targets inconsistent to Metalla's targets, take action contrary to Metalla's goals, policies or objectives, be unwilling or unable to fulfill their contractual obligations owed to Metalla, or experience financial, operational or other difficulties or setbacks, including bankruptcy or insolvency proceedings, which could limit a third-party's ability to perform under a specific third-party arrangement. Specifically, Metalla could be negatively impacted by an operator's ability to continue its mining operations as a going concern and have access to capital. A lack of access to capital could result in a third-party entering a bankruptcy proceeding, which would result in Metalla being unable to realize any value for its Stream, Royalty or other interest.

Negative Cash Flow from Operations

During the fiscal period ended May 31, 2020, the Company had negative cash flow from operating activities. To the extent that the Company has negative cash flow in any future period, unallocated funds may be used to fund such negative cash flow from operating activities, if any.

Rights of other Interest-Holders

Some Royalty and Stream interests are subject to: (i) buy-down right provisions pursuant to which an operator may buy back all or a portion of the Royalty or Stream, (ii) pre-emptive rights pursuant to which certain parties have the right of first refusal or first offer with respect to a proposed sale or assignment of a Royalty or Stream to Metalla, or (iii) claw back rights pursuant to which the seller of a Royalty or Stream to Metalla has the right to re acquire the Royalty or Stream. Holders may exercise these rights such that certain Royalty and Stream interests would no longer be held by Metalla or would become difficult for Metalla to acquire. Any compensation received as a result may be significantly less than Metalla had budgeted receiving for the applicable Royalty or Stream and may have a material adverse effect on Metalla's income and business.

Defects in Royalties and Streams

A defect in the Royalties and Streams and/or the underlying contract may arise to defeat or impair the claim of Metalla to such Royalty or Stream.

Such defects in a Royalty or Stream may result in a material and adverse effect on Metalla's profitability, results of operations, financial condition and the trading price of Metalla securities.

Change in Material Assets

As at the date of this AIF, the Santa Gertrudis Gold Royalty is currently the sole material asset of Metalla, although as new assets are acquired or existing assets move into production, the materiality of each of the assets of Metalla will be reconsidered. Any adverse development affecting the operation of, production from or recoverability of mineral reserves from the Santa Gertrudis Property or any other significant property in the asset portfolio from time to time, such as, but not limited to, unusual and unexpected geologic formations, seismic activity, rock bursts, cave ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, or the inability to hire suitable personnel and engineering contractors or secure supply agreements on commercially suitable terms, may have a material adverse effect on the profitability of Metalla, the financial condition of Metalla and results of its operations.

Global Financial Conditions

Global financial conditions have been characterized by ongoing volatility. Global financial conditions could suddenly and rapidly destabilize in response to future events, as government authorities may have limited resources to respond to future crises. Global capital markets have continued to display increased volatility in response to global events. Future crises may be precipitated by any number of causes, including natural disasters, pandemics (including the COVID-19 pandemic), geopolitical instability, changes to energy prices or sovereign defaults.

Market events and conditions, including the COVID-19 pandemic, significant fluctuations in fuel and energy costs and prices, political instability in the Middle East and Russia and international trade tension have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global financial markets, causing consumer spending to decrease, employment rates to reach historic lows and consumer debt levels to increase. Notwithstanding various actions by governments, concerns about the general condition of the capital markets have caused these markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Company's control may have on commodity prices, demand for metals, including gold, silver, copper, lead and zinc, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by the COVID-19 pandemic, and the associated decreases in consumer spending and employment levels, as well as concerns over global growth rates and conditions.

Any sudden or rapid destabilization of global economic conditions could negatively impact Metalla's ability, or the ability of the operators of the properties in which Metalla holds Royalties, Streams or other interests, to obtain equity or debt financing or make other suitable arrangements to finance their projects. Additionally, increased levels of volatility and market turmoil can adversely impact the operations of Metalla and the value and the price of the Common Shares of the Company could be adversely affected.

See also "*Risk Factors - Risks Related to Mines and Mining Operations - Public Health Crises, including the COVID-19 Pandemic may Significantly Impact Metalla*".

Dependence on Key Personnel

Metalla is dependent on the services of a small number of key management personnel. The ability of Metalla to manage its activities and its business will depend in large part on the efforts of these individuals. There can be no assurance that Metalla will be successful in engaging or retaining key personnel. The loss of the services of a member of the management of Metalla could have a material adverse effect on the Company. From time to time, Metalla may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. The number of persons skilled in the acquisition of Royalties and or Streams is limited and competition for such persons is intense. Recruiting and retaining qualified personnel is critical to the success of Metalla and there can be no assurance that Metalla will be successful in recruiting and retaining the personnel it needs to successfully operate its business. If Metalla is not successful in attracting and retaining qualified personnel, the ability of Metalla to execute on its business model and strategy could be affected, which could have a material and adverse impact on its profitability, results of operations and financial condition.

Ineffective Controls

During the fiscal year ended May 31, 2019, Metalla reported that it did not have effective disclosure controls and procedures or internal controls over financial reporting due to the following material weaknesses in internal control over financial reporting: (a) given its size, Metalla lacked the resources to enforce appropriate segregation of duties in certain financial processes, including journal entries, revenue and acquisitions of Stream and Royalty interests; (b) there were not yet appropriate processes and controls in place to review the accounting treatment of significant transactions; and (c) Metalla did not yet have key entity level controls, including formal risk management controls or a system of internal controls around financial reporting.

During the fiscal year ended May 31, 2020, Metalla appointed Terry Krepiakevich to the board of directors of the Company and as chair of the audit committee (please refer to *Directors and Officers* section below for further details regarding Mr. Krepiakevich's qualifications) and has implemented a system of internal controls to correct the material weaknesses identified in the previous year. As such, Metalla has determined that its internal controls over financial reporting and disclosure controls and procedures are effective as at May 31, 2020.

Notwithstanding the foregoing, Metalla has not always had effective controls and procedures in the past and no assurances can be made that the recently implemented internal controls will be effective or that Metalla will be able to maintain effective controls in the future. In addition, the Company's internal control over financial reporting may not prevent or detect misstatements because of the inherent limitations of internal controls, including the possibility of human error, the circumvention or overriding of controls, poorly designed or ineffective controls, or fraud. As an "emerging growth company", Metalla is not currently required to obtain an auditor attestation of its internal control over financial reporting. Failure to maintain effective controls, or a failure of the Company's internal controls, could cause the Company to be required to amend its financial statements, subject the Company to additional costs, adversely affect the Company's stock price if shareholders or other third parties have less confidence in the Company, or subject the Company to potential regulatory actions. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's operating results or cause it to fail to meet its reporting obligations.

Dividends

Payment of dividends on Metalla's securities is within the discretion of Metalla's board of directors and will depend upon Metalla's future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. Although Metalla targets a dividend of 50% of the operating cash flow of the Company, and Metalla has paid monthly dividends to holders of its Common Shares for each quarter during the financial year ended May 31, 2020, Metalla has not determined as of the date of this AIF to pay any dividends for the second half of calendar year 2020, and there can be no assurance that it will be in a position to continue to declare dividends in the future due to the occurrence of one or more of the risks described herein. See "*Dividends*" section below for additional information.

Competition

Metalla will compete with other companies for Streams and Royalties. Other companies may have greater resources than Metalla. Any such competition may prevent Metalla from being able to secure new Streams or acquire new Royalties. Future competition in the royalty and streaming sector could materially adversely affect Metalla's ability to conduct its business. There can be no assurance that Metalla will be able to compete successfully against other companies in acquiring new Royalty and/or Stream interests. In addition, Metalla may be unable to acquire Royalties or Streams at acceptable valuations which may result in a material and adverse effect on Metalla's profitability, results of operations and financial condition.

Project Operators may not Respect Contractual Obligations

Royalty, Stream and other interests in properties or projects are contractual in nature. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. To the extent grantors of Royalties, Stream and other interests do not abide by their contractual obligations, Metalla may be forced to take legal action to enforce its contractual rights. Such litigation may be time consuming and costly and there is no guarantee of success. Further, any such litigation may also be required to be pursued in foreign jurisdictions. Any pending proceedings or actions or any decisions determined adversely to Metalla, may have a material and adverse effect on Metalla's profitability, results of operations, financial condition and the trading price of the Common Shares of Metalla.

Enforceability

The status of Royalties at law can be uncertain and varies from jurisdiction to jurisdiction and in certain jurisdictions a Royalty may not be a registrable interest which is an interest land. As a result, it may be difficult for Metalla to enforce its rights with respect to Royalties against a third party. Such a failure may result in the loss of the Company's rights to such a Royalty in the event a third party assigns title to the underlying property.

Conflicts of Interest

Certain directors and officers of Metalla also serve as directors and/or officers of other companies that are involved in natural resource explorations, development and mining operations, including Galena Mining Ltd., Argosy Minerals Ltd., Azarga Metals Corp., Atico Mining Corporation, Auramex Resources Corp, Mountain Boy Minerals Ltd., Romios Gold Resources Ltd., Thunderstruck Resources Ltd., Galena Mining Ltd., Crystal Lake Mining Corp., Comet Resources Limited, Tempus Resources Limited, Amwolf Capital Corp., Palladium One Mining Inc., K92 Mining Inc., Alexco Resource Corp. and Kaizen Discovery Inc., and consequently there exists the possibility for such directors and officers to be in a position where there is a conflict of interest. Any decision made by any such directors and officers will be made in accordance with their duties and obligations to deal in good faith and in the best interests of Metalla and its shareholders. Each director that is in a conflict of interest is required to declare such conflict and abstain from voting on a matter in which that director is conflicted in accordance with applicable law.

Future Financing; Future Securities Issuances

There can be no assurance that Metalla will be able to obtain adequate financing in the future, that it will satisfy the requirements to draw additional funds under the Beedie Loan Facility, or that the terms of any such financing will be favourable. Failure to obtain such additional financing or satisfy the requirement for additional draws under the Beedie Loan Facility could impede the funding obligations of Metalla or result in delay or postponement of further business activities which may result in a material and adverse effect on Metalla's profitability, results of operations and financial condition. Metalla may require new capital to continue to grow its business and there are no assurances that capital will be available when needed, if at all. It is likely that, at least to some extent, such additional capital will be raised through the issuance of additional equity or convertible debt, which could result in dilution to shareholders.

Compliance with Terms of Credit Facilities

There can be no assurance that the Beedie Loan Facility, or any other credit facilities or financing agreements that Metalla may enter into, will be renewed or refinanced, or if renewed or refinanced, that the renewal or refinancing will occur on equally favourable terms to Metalla. Metalla's ability to continue operating may be adversely affected if Beedie does not convert the loans outstanding under the Beedie Loan Facility into equity of Metalla, if Metalla is not able to renew the Beedie Loan Facility or any other credit facilities or arrange refinancing, or if such renewal or refinancing, as the case may be, occurs on terms materially less favorable to Metalla than at present. The Beedie Loan Facility is secured by a substantial portion of Metalla's assets and imposes covenants and obligations on Metalla. There is a risk that this and any other such facilities or loans may go into default if there is a breach in complying with covenants and obligations, which could result in the lenders realizing on their security and causing the shareholders to lose some or all of their investment.

Litigation affecting Properties

Potential litigation may arise on a property on which Metalla holds or has a Royalty or Stream interest (for example, litigation between joint venture partners or between operators and original property owners or neighbouring property owners). Metalla will not generally have any influence on the litigation and will not generally have access to data. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) could have a material and adverse effect on Metalla's profitability, results of operations, financial condition and the trading price of the Common Shares of Metalla.

Application and Interpretation of Tax Laws

We are subject to direct and indirect taxes in various global jurisdictions. The amount of tax we pay, directly or indirectly, is subject to our interpretation of applicable tax laws in the jurisdictions in which we file, and the applicable tax laws in the jurisdictions of operations in which Metalla has interests including those from which we receive Royalties, Streams and other income.

We have taken and will continue to take tax positions based on our interpretation of tax laws, but tax accounting often involves complex matters and judgment is required in determining our worldwide provision for taxes and other tax liabilities. There can be no assurance that a taxing authority will not have a different interpretation of the law and assess us, or the operations in which Metalla has interests, with additional taxes.

While to our knowledge we are not currently the subject of any tax audits or under reassessment, tax authorities may in the future disagree with our judgment and the presentation of our tax position. We regularly assess the likely outcomes of tax audits or reassessments to determine the appropriateness of our tax liabilities. However, our judgment on tax matters might not be sustained as a result of audits or reassessments, and the amounts ultimately paid could be different from the amounts previously recorded or expected. In addition, our effective tax rate in the future could be adversely affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities and changes in tax laws. Tax rates in the jurisdictions in which we operate or in which we have interests may change as a result of macroeconomic, political or other factors. Increases in the tax rate in any of the jurisdictions in which Metalla has interests could have a negative impact on our profitability.

Changes in Tax Laws Impacting Metalla

There can be no assurance that new tax laws, regulations, policies or interpretations will not be enacted or brought into being in the jurisdictions where Metalla has interests that could have a material adverse effect on Metalla. Any such change or implementation of new tax laws or regulations could adversely affect Metalla's ability to conduct its business. No assurance can be given that new taxation rules or accounting policies will not be enacted or that existing rules will not be applied in a manner which could result in the profits of Metalla being subject to additional taxation or which could otherwise have a material adverse effect on the profitability of Metalla, Metalla's results of operations, financial condition and the trading price of the Common Shares of Metalla. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make Royalties, Streams or other investments by Metalla less attractive to counterparties. Such changes could adversely affect the ability of Metalla to acquire new assets or make future investments.

Credit and Liquidity Risk

Metalla is exposed to counterparty risks and liquidity risks including, but not limited to: (i) through the companies with which Metalla has Streams and Royalty agreements with; (ii) through financial institutions that hold Metalla's cash and cash equivalents; (iii) through companies that have payables to Metalla; (iv) through Metalla's insurance providers; and (v) through Metalla's lenders. Metalla is also exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of Metalla to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to Metalla. Also, if these risks materialize, the Company's operations could be adversely impacted and the trading price of its securities could be adversely affected.

Information Systems and Cyber Security

Metalla's information systems, and those of its counterparties under the Streams and Royalties agreements and vendors, are vulnerable to an increasing threat of continually evolving cybersecurity risks. Unauthorized parties may attempt to gain access to these systems or Metalla's information through fraud or other means of deceiving Metalla's counterparties. Metalla's operations depend, in part, on how well Metalla and its suppliers, as well as counterparties under the Streams and Royalties agreements, protect networks, equipment, information technology systems and software against damage from a number of threats. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact Metalla's reputation and results of operations. Although to date Metalla has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that Metalla will not incur such losses in the future. Metalla's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain an area of attention.

Activist Shareholders

Publicly traded companies are often subject to demands or publicity campaigns from activist shareholders advocating for changes to corporate governance practices, such as executive compensation practices, social issues, or for certain corporate actions or reorganizations. There can be no assurance that Metalla will not be subject to any such campaign, including proxy contests, media campaigns or other activities. Responding to challenges from activist shareholders can be costly and time consuming and may have an adverse effect on Metalla's reputation. In addition, responding to such campaigns would likely divert the attention and resources of Metalla's management and board of directors, which could have an adverse effect on Metalla's business and results of operations. Even if Metalla were to undertake changes or actions in response to activism, activist shareholders may continue to promote or attempt to effect further changes and may attempt to acquire control of Metalla. If shareholder activists are ultimately elected to the board of directors, this could adversely affect Metalla's business and future operations. This type of activism can also create uncertainty about Metalla's future strategic direction, resulting in loss of future business opportunities, which could adversely affect Metalla's business, future operations, profitability and Metalla's ability to attract and retain qualified personnel.

Reputation Damage

Reputational damage can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. While Metalla does not ultimately have direct control over how it is perceived by others, reputational loss could have a material adverse impact on our financial performance, financial condition, cash flows and growth prospects.

Expansion of Business Model

Metalla's operations and expertise have been focused on the acquisition and management of Royalty and Stream interests. Metalla may pursue acquisitions outside this area, including acquiring and/or investing in and/or developing resource projects. Expansion of Metalla's activities into new areas would present challenges and risks that it has not faced in the past, including many of the risks described under the section *Risks Related to Mines and Mining Operations*. The failure to manage these challenges and risks successfully may result in a material and adverse effect on Metalla's profitability, results of operations, financial condition and the trading price of Metalla securities.

Risks Related to Mines and Mining Operations

Risk Factors applicable to Owners and Operators of Properties in which Metalla holds an Interest

To the extent that they relate to the production of minerals from or the continued operation of, properties in which Metalla holds a Royalty or Stream interest, Metalla will be subject to the risk factors applicable to the owners and operators of such mines or projects.

Exploration, Development and Operating Risks

Mining involves a high degree of risk. Mines and projects in which Metalla has or may enter into a precious metal purchase agreement or Royalty agreement are subject to all of the hazards and risks normally encountered in the exploration, development and production of metals, including weather related events, unusual and unexpected geology formations, seismic activity, rock bursts, cave ins, pit wall failures, flooding, environmental hazards and the discharge of toxic chemicals, explosions and other conditions involved in the drilling, blasting and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to property, injury or loss of life, environmental damage, work stoppages, delays in production, increased production costs and possible legal liability. Any of these hazards and risks and other acts of God could shut down Mining Operations temporarily or permanently. Mining Operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability for the owners or operators of the Mining Operations.

The exploration for and development, mining and processing of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenditures may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the owners or operators of Mining Operations will result in profitable commercial Mining Operations. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: cash costs associated with extraction and processing, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection; and political stability. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in one or more of the Mining Operations not receiving an adequate return on invested capital. Accordingly there can be no assurance the Mining Operations which are not currently in production will be brought into a state of commercial production.

Climate Change

Governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Regulation relating to emission levels (such as carbon taxes) and energy efficiency is becoming more stringent. The Paris climate accord was signed by 195 countries in December 2015 and marked a global shift toward a low-carbon economy.

If the current regulatory trend continues, Metalla expects that this will result in increased costs at some of the Mining Operations which could adversely impact the profitability or viability of such operations and may result in reduction or cessation of production which in turn would have an impact on the Company's revenue. In addition, the physical risks of climate change may also have an adverse effect on some of the Mining Operations. These risks include the following:

- *sea level rise*: changes in sea level could affect ocean transportation and shipping facilities which are used to transport supplies, equipment and workforce to some of the Mining Operations and products from those operations to world markets.

- *extreme weather events*: extreme weather events (such as increased frequency or intensity of hurricanes, increased snow pack, prolonged drought) have the potential to disrupt some of the Mining Operations. Extended disruptions to supply lines could result in interruption to production.

- *resource shortages*: some of the Mining Operations depend on regular supplies of consumables (diesel, tires, sodium cyanide, et cetera) and reagents to operate efficiently. In the event that the effects of climate change or extreme weather events cause prolonged disruption to the delivery of essential commodities, production efficiency at some of the Mining Operations is likely to be reduced.

There is no assurance that efforts to mitigate the risks of climate changes will be effective and that the physical risk of climate change will not have an adverse effect on the Mining Operations and their profitability.

Commodity Prices

Metal prices are subject to fluctuation and any future significant decline could result in mines, Mining Operations and project development to cease. Owners and operators of mines and development projects could be forced to cease operations or discontinue development of a particular project, which could materially adversely affect Metalla's business operations and profitability.

Environmental Risks

All phases of mine operation or development are subject to governmental regulation including environmental regulation in the various jurisdictions in which they operate. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non compliance, more stringent environmental assessments of proposed projects and heightened responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the mines and projects in which Metalla has an interest. Also, unknown environmental hazards may exist on the properties at present which were caused by previous or existing owners or operators of the properties and which could impair the commercial success, levels of production and continued feasibility and project development and mining operations on these properties. One or more of the mining companies may become liable for such environmental hazards caused by previous owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Government Regulation, Permits and Authorizations

The exploration and development activities related to mine operations are subject to extensive laws and regulations governing exploration, development, production, exports, taxes, labour standards, waste disposal, protection and remediation of the environment, reclamation, historic and cultural resources preservation, mine safety and occupational health, handling, storage and transportation of hazardous substances and other matters.

The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing specific mine operations in compliance with such laws and regulations are significant. It is possible that the costs and delays associated with compliance with such laws and regulations could become such that the owners or operators of mines or projects would not proceed with the development of, or continue to operate, a mine. Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies thereunder and claims for damages to property and persons resulting from mining operations could result in substantial costs and liabilities for the owners or operators of mines or projects in the future such that they would not proceed with the development of, or continue to operate, a mine.

Government approvals, licences and permits are currently, and will in the future be, required in connection with Mining Operations. To the extent such approvals are required and not obtained, Mining Operations may be curtailed or prohibited from proceeding with planned operations, which could have an impact on the business and financial condition of Metalla. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Mining Operations, resulting in increased capital expenditures or production costs, reduced levels of production at producing properties or abandonment or delays in development of properties.

Permitting and Access

The operation of a mine or project is subject to receipt and maintenance of permits from appropriate governmental authorities. The owners and operators of the mines and projects in which Metalla has an interest may be subject to delays in connection with obtaining access to the property and all necessary renewals of permits for existing operations, additional permits for any possible future changes to operations, or additional permits associated with new legislation. Prior to any development on any of the properties, permits from appropriate governmental authorities may be required. There can be no assurance that the owners or operators of the mines or projects will continue to hold all permits necessary to develop or continue operating at any particular property.

Infrastructure

Natural resource exploration, development and mining activities are dependent on the availability of mining, drilling and related equipment in the particular areas where such activities are conducted. A limited supply of such equipment or access restrictions may affect the availability of such equipment to the owners and operators of mines or projects and may delay exploration, development or extraction activities. Certain equipment may not be immediately available or may require long lead time orders. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration, development or production at a mine or project. Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations at a mine or project.

Dependence on Operator's Employees

Production from the properties in which Metalla holds an interest depends on the efforts of operators' employees. There is competition for persons with mining expertise. The ability of the owners and operators of such properties to hire and retain geologists and persons with mining expertise is key to those operations. Further, relations with employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in the jurisdictions in which those operations are conducted. Changes in such legislation or otherwise in the relationships of the owners and operators of such properties with their employees may result in strikes, lockouts or other work stoppages, any of which could have a material adverse effect on such operations, results of operations and financial condition of Metalla. If these factors cause the owners and operators of such properties to decide to cease production at one or more of the properties, such decision could have a material adverse effect on the business and financial condition of Metalla.

Mineral Resource and Mineral Reserve Estimates

Mineral reserve and or mineral resource estimates for a specific mine or project may not be correct. The figures for mineral resources and mineral reserves contained in this AIF are estimates only and were obtained from public disclosure in respect of the Santa Gertrudis Property and other properties, as applicable. There can be no assurance that estimated mineral reserves and mineral resources will ever be recovered or recovered at the rates as estimated. Mineral reserve and mineral resource estimates are based on sampling and geological interpretation, and, are uncertain because samples used may not be representative. Mineral reserve and mineral resource estimates require revision (either to demonstrate an increase or decrease) based on production from the mine or project. The fluctuations of commodity prices and production costs, as well as changes in recovery rates, may render certain mineral reserves and mineral resources uneconomic and may result in a restatement of estimated reserves and/or mineral resources.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty of inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven and probable mineral reserves as a result of continued exploration.

Depleted Mineral Reserve Replacement

Mines have a limited time of operation as a result of the proven and probable mineral reserves attributed to a specific mine. A mining company operating a specific mine will be required to replace and expand mineral reserves depleted by a mine's production to maintain production levels over a long term. It is possible to replace depleted mineral reserves by expanding known ore bodies through exploration, locating new deposits or acquiring new mines or projects. Mineral exploration is highly speculative in nature. It can take several years to develop a potential site of mineralization. There is no assurance that current or future exploration programs conducted by mining companies will be successful. There is a risk that the depletion of mineral reserves by mining companies that Metalla has contracted with will not be replenished by discoveries or acquisitions which could reduce the income Metalla would have expected to receive from a particular Royalty or Stream.

Uninsured Risks

The mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. Mining companies may or may not maintain insurance in adequate amounts, including insurance for workers' compensation, theft, general liability, all risk property, automobile, directors and officers liability and fiduciary liability and others. Such insurance, however, contains exclusions and limitations on coverage. Accordingly, a mining company's insurance policies may not provide coverage for all losses related to their business (and may not cover environmental liabilities and losses). The occurrence of losses, liabilities or damage not covered by such insurance policies could have a material adverse effect on the mining companies' profitability, results of operations and financial condition.

Land Title

Although title to specific mines or projects has been or will be reviewed by or on behalf of Metalla, no assurances can be given that there are no title defects affecting the properties and mineral claims owned or used by specific mines or projects. Companies may not have conducted surveys of the claims in which they hold direct or indirect interests; therefore, the precise area and location of such claims may be in doubt. It is possible that a specific mine or project may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, mining companies may be unable to operate the specific mine or project as permitted or to enforce their rights with respect to that specific mine or project which may ultimately impair the ability of these owners and operators to fulfill their obligations under their agreements with Metalla.

International Interests

Certain operations that underlie Metalla's Streams and Royalties are conducted, or will be conducted, outside of Canada, including in Australia, the United States, Argentina, Mexico, Tanzania, Ecuador, Peru, Chile, and Venezuela and could be exposed to political, economic or other risks or uncertainties. These types of risks or uncertainties may differ between countries and can include but are not limited to, terrorism, hostage taking, military repression, crime, political instability, currency controls, fluctuations in currency exchange rates, inflation rates, labour unrest, risk of war or civil unrest, expropriation and nationalization, renegotiation or nullification of mining or mineral concessions, licenses, permits, authorizations and contracts, illegal mining or mineral exploration, taxation changes, modifications, amendments or changes to mining and mineral laws, regulations, policies, and changes to government regulations in respect of foreign investment and mining.

Changes, if any, in mining or investment policies or shifts in political attitude may adversely affect the operations or profitability of the Mining Operations in these countries. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, mine safety and the rewarding of contracts to local contractors or requiring foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation, cancellation or dispute of licenses or entitlements which could result in substantial costs, losses and liabilities in the future.

The occurrence of these various factors and uncertainties related to the economic and political risks for operations in foreign jurisdictions cannot be accurately predicted and could have an adverse effect on the Mining Operations resulting in substantial costs, losses and liabilities in the future.

Developing Economies

Certain operators are subject to risks normally associated with the conduct of business in developing economies. Risks may include, among others, problems relating to power supply, labour disputes, delays or invalidation of governmental orders and permits, corruption, uncertain political and economic environments, civil disturbances and crime, arbitrary changes in laws or policies, foreign taxation and exchange controls, nationalization of assets, opposition to mining from environmental or other non-governmental organizations or changes in the political attitude towards mining, empowerment of previously disadvantaged people, local ownership requirements, limitations on foreign ownership, power supply issues, limitations on repatriation of earnings, infrastructure limitations and increased financing costs. The above risks may limit, disrupt or negatively impact the operator's business activities.

Permitting, Construction and Development

Metalla may hold Royalties or Streams over mines and projects that may be in various stages of permitting, construction, development and expansion. Construction, development and expansion of such mines or projects is subject to numerous risks, including, but not limited to: delays in obtaining equipment, materials, and services essential to completing construction of such projects in a timely manner; delays or inability to obtain all required permits; changes in environmental or other government regulations; currency exchange rates; labour shortages; and fluctuation in metal prices. There can be no assurance that the owners or operators of such mines or projects will have the financial, technical and operational resources to complete the permitting, construction, development and expansion of such mines or projects in accordance with current expectations or at all.

Indigenous Peoples

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of indigenous peoples. Metalla holds Royalty or Stream interests on operations located in some areas presently or previously inhabited or used by indigenous peoples. Many of these materials impose obligations on government to respect the rights of indigenous people. Some mandate that government consult with indigenous people regarding government actions which may affect indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to indigenous people continue to evolve and be defined. The mining companies' current or future operations are subject to a risk that one or more groups of indigenous people may oppose continued operation, further development, or new development on those projects or operations on which Metalla holds a Royalty or Stream interest. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the Company or the owner/operators' activities. Opposition by indigenous people to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with indigenous people. Claims and protests of indigenous people may disrupt or delay activities of the owners/operators of Metalla's Royalty or Stream assets.

Nominal Third-Party Interests in Subsidiaries

In certain jurisdictions in which we operate, including Australia, Argentina and Mexico, laws require that our subsidiaries in those jurisdictions have more than one shareholder. In such jurisdictions, a nominal interest may be held by an individual or an affiliate of Metalla which is not represented on organization charts or other disclosure in this AIF.

Risks Related to the Securities of Metalla

Securities of Metalla are subject to Price Volatility

Capital and securities markets have a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of Metalla include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries or asset classes. There can be no assurance that continued fluctuations in mineral or commodity prices will not occur. As a result of any of these factors, the market price of the Common Shares at any given time may not accurately reflect the long term value of Metalla.

In the past, following periods of volatility in the market price of a company's securities, shareholders have instituted class action securities litigation against them. Such litigation, if instituted, could result in substantial cost and diversion of management attention and resources, which could significantly harm profitability and the reputation of Metalla.

Dilution

Metalla may issue additional securities in the future in connection with acquisitions, strategic transactions, financings or for other purposes. To the extent additional securities are issued, Metalla's existing securityholders could be diluted and some or all of Metalla's financial measures could be reduced on a per share basis. Additionally, Metalla securities issued in connection with a transaction may not be subject to resale restrictions and, as such, the market price of Metalla's securities may decline if certain large holders of Metalla securities or recipients of Metalla securities in connection with an acquisition, sell all or a significant portion of such securities or are perceived by the market as intending to sell such securities. In addition, such issuances of securities may impede Metalla's ability to raise capital through the sale of additional equity securities in the future.

Evolving Corporate Governance and Public Disclosure Regulations

Metalla is subject to changing rules and regulations promulgated by a number of United States and Canadian governmental and self regulated organizations, including the United States Securities and Exchange Commission, the Canadian Securities Administrators, the exchanges listing Metalla's securities, and the Financial Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity making compliance more difficult and uncertain. Metalla's efforts to comply with these and other new and existing rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue generating activities to compliance activities.

Future Sales or Issuances of Debt or Equity Securities

We may sell or issue additional debt or equity securities in offerings to finance our operations, exploration, development, acquisitions or other projects. Our significant shareholders may also sell the Common Shares or other securities they hold or may hold in the future.

We cannot predict the size of future sales and issuances of debt or equity securities or the effect, if any, that future sales and issuances of debt or equity securities will have on the market price of the Common Shares.

Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Company's Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Company's earnings per share. Sales of our Common Shares by shareholders might also make it more difficult for us to sell equity securities at a time and price that we deem appropriate.

Liquidity

Shareholders of the Company may be unable to sell significant quantities of Common Shares into the public trading markets without a significant reduction in the price of their Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Company's Common Shares on the trading market, and that the Company will continue to meet the listing requirements of the TSXV, the NYSE or the Frankfurt Exchange, or achieve listing on any other public listing exchange.

Market for Securities

There can be no assurance that an active trading market for the Common Shares will be sustained.

Limitations on the Enforcement of Civil Judgments

A substantial portion of the assets of Metalla are located outside of Canada. As a result, it may not be possible for investors in the securities of Metalla to collect on judgments obtained in courts in Canada predicated on the civil liability provisions of securities legislation of certain of the provinces and territories of Canada.

It may also be difficult to bring and enforce suits against us in the United States, because we exist under the laws of British Columbia and are situated in the Province of British Columbia, Canada and most of our assets are located outside the United States.

It may be difficult for investors to effect service of process on us or our directors or officers or to realize in the United States upon judgments obtained in the United States based on the civil liability provisions of the U.S. federal securities laws. In addition, our U.S. shareholders should not assume that the courts of Canada (i) would enforce judgments of U.S. courts obtained in actions against us, our officers or directors predicated upon the civil liability provisions of the U.S. federal securities laws or other laws of the United States, or (ii) would enforce, in original actions, liabilities against us, our officers or directors predicated upon the U.S. federal securities laws or other laws of the United States.

U.S. Tax Risk Related to Potential Passive Foreign Investment Company Status

If we are a "passive foreign investment company" (" **PFIC**") for the current or a future tax year, certain adverse U.S. federal income tax consequences may result for U.S. investors.

In general, we will be treated as a PFIC for any tax year during which either (i) 75% or more of our gross income is passive income, or (ii) 50% or more of the average quarterly value of our assets that produce or are held for the production of passive income. The determination of PFIC status is inherently factual, is subject to a number of uncertainties, and can be determined only annually at the close of the tax year in question. Although the Company has not made a formal determination as to whether it was a PFIC for the tax year ended May 31, 2020, and does not plan to make such a determination for subsequent years, the Company believes there is a significant risk that it was a PFIC for the tax year ended May 31, 2020, and anticipates that there will be a significant risk that it will be a PFIC in subsequent years.

If we are a PFIC for any year during a U.S. taxpayer's holding period of Offered Shares, then such U.S. taxpayer generally will be required to treat any gain realized upon a disposition of the Offered Shares or any so-called "excess distribution" received on its Offered Shares, as ordinary income, and to pay an interest charge on a portion of such gain or distribution. In certain circumstances, the sum of the tax and the interest charge may exceed the total amount of proceeds realized on the disposition, or the amount of excess distribution received, by the U.S. taxpayer. Subject to certain limitations, these tax consequences may be mitigated if a U.S. taxpayer makes a timely and effective "qualified electing fund" election ("QEF Election") or a "mark-to-market" election ("Mark-to-Market Election"). Subject to certain limitations, such elections may be made with respect to the Offered Shares. A U.S. taxpayer who makes a timely and effective QEF Election generally must report on a current basis its share of our net capital gain and ordinary earnings for any year in which we are a PFIC, whether or not we distribute any amounts to its shareholders. However, U.S. taxpayers should be aware that there can be no assurance that we will satisfy the record keeping requirements that apply to a qualified electing fund, or that we will supply U.S. taxpayers with information that such U.S. taxpayers require to report under the QEF Election rules, in the event that we are a PFIC and a U.S. taxpayer wishes to make a QEF Election. Thus, U.S. taxpayers may not be able to make a QEF Election with respect to their Offered Shares. A U.S. taxpayer who makes the Mark-to-Market Election generally must include as ordinary income each year the excess of the fair market value of the Offered Shares over the taxpayer's basis therein. The PFIC rules may also apply to other securities issued by us. This risk factor is qualified in its entirety by the discussion below under the heading "Certain United States Federal Income Tax Considerations - Passive Foreign Investment Company Rules". Each potential investor who is a U.S. taxpayer should consult its own tax advisor regarding the tax consequences of the PFIC rules and the acquisition, ownership, and disposition of the Offered Shares or other securities issued by us.

MATERIAL ASSET

As at the date of this AIF the Company's Royalty on the Santa Gertrudis Property is its sole material asset.

A description of the Santa Gertrudis Property is included below.

Santa Gertrudis, Mexico

Metalla holds a 2% NSR interest on the Santa Gertrudis Property.

A technical report was prepared for GoGold pursuant to NI 43-101 entitled " *Technical Report, Updated Resource Estimate And Preliminary Economic Assessment On The Santa Gertrudis Gold Property, Sonora State, Mexico Latitude 30° 38' N Longitude 110° 33' W*" dated August 22, 2014 (the "**Santa Gertrudis Report**").

The following description of the Santa Gertrudis Property has been prepared in reliance, in part, on the Santa Gertrudis Report, GoGold's Annual Information Form dated December 14, 2016 (the "**GoGold AIF**") and a mineral resource estimate disclosed by Agnico on February 13, 2020 (the "**Santa Gertrudis Update**") and readers should consult the Santa Gertrudis Report, GoGold AIF and Santa Gertrudis Update to obtain further particulars on the Santa Gertrudis Property. The Santa Gertrudis Report and GoGold AIF is available for review under GoGold's profile on SEDAR (www.sedar.com).

GoGold subsequently sold the Santa Gertrudis Property to Agnico on November 2, 2017, and therefore GoGold is referred to below as the 'former property owner'.

While the Company does not have any knowledge that such information is not accurate, the Company has not independently verified this information and there can be no assurance that such third-party information is complete or accurate. See section *Introductory Notes - Technical and Third-Party Information*.

Summary

The Santa Gertrudis Property is a past-producing gold mine that was acquired in April 2014 as part of the former property owner's purchase of Animas Resources Inc. ("**Animas**"). In September 2014, the former property owner released the results of the Santa Gertrudis PEA that upgraded the previous historic resource estimate to 810,000 ounces of gold indicated (23.3 Mt at 1.08 g/t Au) and 255,000 ounces gold inferred (7.7 Mt at 1.02 g/t Au). As a past producer, the Santa Gertrudis Property has infrastructure in place including numerous pits already worked with haul roads in place to facilitate the commencement of mining activities. In September of 2016, the former property owner began toll milling high grade material and by the end of that month had poured 383 ounces of gold. The former property owner planned to move forward with construction of a vat leach plant, with construction on phase one beginning in October 2016. The former property owner intended to use the revenue generated from the toll milling to provide cash flow during the phase one construction. The Santa Gertrudis Property is located in northern Sonora State, México. As of the date of this AIF, the property is 100% held by Agnico.

The Santa Gertrudis Property contains several former producing gold mines. Approximately 565,000 ounces of gold were produced in the district from what is now part of the property between 1991 and 2000. A total of 8,244,000 tonnes at an average recovered grade of approximately 2.13 g/t Au were open pit mined from 22 sedimentary-rock-hosted, disseminated gold deposits. This mining includes production by Phelps Dodge Mining Company ("**Phelps Dodge**") and Campbell Red Lake Resources Inc. (" **Campbell**") from the Santa Gertrudis Property and production at the Amelia Mine, one of the concessions that form part of the Santa Gertrudis Property.

The former property owner had released updates regarding the Santa Gertrudis Property since the date of the Santa Gertrudis PEA which are discussed below.

Project Description and Location

The Santa Gertrudis Property is located in the Santa Teresa mining district, Arizpe, Cucurpe, and Imuris Municipalities, in northeastern Sonora State, México. It is situated 170 kilometres south of Tucson, Arizona, 180 kilometres north of Hermosillo, México and 40 kilometres east of the town of Magdalena de Kino. The latitude is 30°38'N and the longitude is 110°33'W.

The Santa Gertrudis Property comprises 50 concessions covering a total of 41,989.9 hectares. The Santa Gertrudis Property is a combination of several claim blocks owned by several different companies, including concessions staked by Animas on the northwest, west and southwest boundaries of the original claim block.

The claims are all contiguous, although there are small inliers within the claim block that were not controlled by the former property owner, and have expiry dates ranging from December 16, 2036 to May 6, 2058. The surface rights to the concessions are owned by the local community, Ejido, Seis de Enero, as well as various landowners, and a land access agreement is required to conduct any work on the property. Currently, there are several such agreements in place between various landowners and Coanzamex, First Silver Reserve, S.A. de C.V., and Recursos Escondidos, S.A. de C.V. The Santa Gertrudis Property is not subject to royalties.

The former property owner was responsible for the following reclamation obligations in the event of the abandonment of the project or transfer of the concessions:

- To neutralize, restore, and reforest all the residual and marginal material, the product of old operation (leach pads and depleted mineralized fields);
- Close and reforest operation roads, as well as fence and stabilize mining pit slopes; and
- Dismantle and remove facilities, infrastructure and solid waste in general from the projects.

Requests also needed to be made of the appropriate authority for consent to reactivate mine development at either of the Santa Gertrudis or the Amelia Mines, by the former property owner. This application must be accompanied by a manifestation of environmental impact, particular modality, a study of environmental risk, modality analysis of risk and of a technical study for the change of use of the grounds. Consent was received on March 2, 2015.

Climate, Access, Local Resources, and Infrastructure

Access to the Santa Gertrudis Property is via a 39-kilometre gravel road, leading from the paved Magdalena-Cucurpe Highway. There is also a network of unpaved roads (ranch, exploration and ore-haulage roads) that provide excellent access throughout the property. Hermosillo is the capital of Sonora and is located approximately two hours south of the property via a well-maintained four-lane highway. It is the main economic center for the state and region, as well as an important centre for agricultural and manufacturing.

The property lies within a basin and range physiographic province, the landscape of which is defined by abrupt changes in elevation, alternating between narrow faulted mountain chains and flat arid valleys or basins. Property elevations vary from around 1,200 metres to 1,700 metres above sea level. The nearest weather station to the project, located approximately 40 kilometres northeast of the property reports an average yearly temperature of 15.3°C, an average monthly maximum temperature of 23.5°C in the months of June to September and an average monthly minimum of 7.4°C in December and January. The climate is semi-arid desert and there is a dry season from the spring and early summer and a rainy season in the mid to late summer and fall that often causes flash floods in the arroyos. The Santa Gertrudis Property can be operated all year round.

Past mining activities have left an exploration camp, office, water tank, drill sample handling facilities, and permitted water well. There is sufficient land to conduct a mining operation, including waste disposal, processing facilities and pads for heap leaching. Potential power sources include local generators or a 20 kilometre power line extension to the camp.

History

Past production from open-pit mining was carried out by previous operators between 1991 and 2000 at numerous deposits primarily located in the north-central region of the Santa Gertrudis Property. These past mining activities have left water-filled historic-mined pits, waste piles and a lined, zero-discharge historic leach pad at the Santa Gertrudis Property and two lined pads near the Amelia Mine.

Investigations in the 1980's undertaken by Phelps Dodge showed potential for Carlin-type sedimentary rock-hosted, disseminated gold deposits on the property. The first major discovery was made in 1986, a feasibility study was completed in 1988 and production from the Santa Gertrudis Property mine-site commenced in May of 1991 from a heap leach operation which produced at 3,000 tonnes per day. Historic exploration drilling includes over 208,727 metres of reverse circulation drilling and 66,333 metres of core drilling. This work tested over 100 target areas and was generally conducted to shallow depths of around 150 metres around known deposits and to around 100 metres in other target areas.

An historic resource estimate covering all of the property, excluding the Amelia Mine, was completed by Campbell in 2000, which was not compliant with NI 43-101 guidelines.

Geological Setting

Three north-south-trending physiographic provinces transect the State of Sonora, México. From west to east these are the Basin and Range, the Transition Zone, and the High Plateau (Sierra Madre Occidental). The Santa Teresa mining district is within the extreme eastern margin of the Basin and Range, at the western edge of the Transition Zone. The physiography of the district consists of closely spaced ranges that form topographical highs with relatively narrow intervening shallow valleys. This region contains a wide variety of rock types and ages, with Tertiary volcanic rocks predominating. The principal regional structural elements are the north-trending Basin and Range normal faults. The Sierra Madera core complex is located west of the Santa Teresa district, and it may be responsible for some of the observed structural features seen in the region. The bulk of México's copper production occurs in the Basin and Range province, principally at Cananea and La Caridad. Regionally, gold occurrences are commonly associated with Tertiary dilational faults, many of which occur in calcareous sedimentary rocks, and locally, some replacement-type mineralization is reported. There also are a number of stockwork epithermal vein gold occurrences within the region, and the Cristina deposit in the Santa Teresa mining district is an excellent example of this style of gold mineralization.

The Santa Teresa mining district contains approximately thirty gold deposits that are hosted in rocks correlative with the Upper Jurassic-Lower Cretaceous Bisbee Group clastic and carbonate lithologies of southeastern Arizona. These gold deposits occur in a northwest-trending belt that is approximately 20 kilometres long and up to 8 kilometres wide. The Bisbee Group correlative rocks in the district are a minimum 1,300 metres thick and are equivalent, in ascending order, to the Glance Conglomerate, Morita Formation, Mural Limestone, and Cintura Formation.

Exploration and Drilling

The former property owner's 2015 Exploration and Drilling Programs

On May 5, 2015, the former property owner announced it had drilled numerous high-grade gold drill holes in the proposed open-pit zones at Santa Gertrudis (see GoGold's press release dated May 5, 2015). The drilling was designed to confirm historic mineralization and to test targets in the immediate vicinity of the open-pit resource in the Santa Gertrudis PEA. The drilling program confirmed the downdip high-grade extension at the Dora pit structure, and also confirmed that the oxide zone continues below the previously thought depth of the oxide mineralization. These holes confirmed the higher grades at the Dora structure and identified the material as mostly oxide. The past mining of the oxide material located immediately above this intercept had reported 75-per-cent recoveries on a conventional heap leach with a crush size of four inches.

Additionally, other significant holes have been drilled at the Corral zone and Cristina zone, with highlights that include 17 metres of 3.58 grams per tonne gold at Corral and 31.4 metres of 1.18 grams per tonne gold at Cristina. These three targets have been identified as the initial pits the former property owner could restart mining, and should represent the first four years of feed. Construction is expected to commence immediately following the completion of final engineering of the heap leach pad and the processing plant design.

The diamond drilling programs at Dora, Corral and Cristina deposits were designed to confirm the resource and reserve models, obtain fresh material for metallurgical testwork, and obtain geotechnical information for pit slope design and crushing index testwork. Sixty-six diamond drill holes totaling 6,748.3 metres of HQ size core were completed in the phase I program. Four geotechnical diamond drill holes totaling 505 metres of HQ3 triple-tube core with a core-orienting system to collect structural data have also been completed to date under the supervision of Golder Associates.

On September 28, 2015, the former property owner announced additional high grade gold intercepts in the proposed open pit zones at the Santa Gertrudis Property (see GoGold's press release dated September 28, 2015). Holes reported below on the Viviana Fault structure have not been included in the Santa Gertrudis PEA. The highlight of the new holes drilled include GGDOR-016 which intersected 17 metres of 5.35 g/t gold in the Dora Pit; GGGR-005 drilled at the Greta Ontario zone starting at surface of 8 meters of 18.71 g/t gold including 5 metres of 29 g/t gold; and GGCNW-004 in the Corral pit of 13.7 Metres of 3.22 g/t gold. The drilling was designed to confirm historic mineralization and tested targets in the immediate vicinity of the open pit resource in the PEA.

July to September 2015 Activity

The former property owner field teams were mobilized to map and sample the Viviana gold deposit located on the Santa Gertrudis Property. The Viviana deposit outcrops and was evaluated by trenching along with 50 RC holes drilled in 1995/96 by Roca Roja. High-grade oxidized gold intercepts occur in calcareous siltstones associated with the 3.8 km long, east west trending Viviana fault zone. Roca Roja mined several thousand tonnes from the deposit before selling the property to Campbell Resources in 1999.

In 2000, Campbell drilled 20 holes on the Viviana Norte prospect located 200m northwest of the Viviana deposit. These Roca Roja and Campbell drill holes were not included in the Santa Gertrudis PEA. Approximately mid mine life, these holes were some of the last holes released prior to Campbell ceasing operations. These drill hole records, some of which were released in a May 2000 by Campbell, contain numerous high grade oxide gold intercepts which indicates the presence of long mineralized zones near surface along the 3.8 kilometer long east-west trending Viviana fault.

The former property owner expected the current resource to increase as the geological team continues to identify other highly prospective areas within claim boundaries.

October 2015 to September 2016 Activity

In September 2016, the former property owner announced the planned construction of a vat leach plant, which is designed to treat ore at a rate of approximately 2,000 tonnes per day. This will allow field evaluation of the many ore types and deposits on the property which will aide in perfecting the operating process. The results of these large-scale tests will in turn provide input to an updated feasibility study of the property. The former property owner believed the scale of the proposed initial plant would allow sufficient cash flow to cover the full cost of the plant and the feasibility study program. Following expected successful evaluation, the project can then be scaled up by adding additional vats to achieve the expected full commercial operation.

The former property owner's PEA on the Santa Gertrudis property that was released in September 2014 was based on heap leaching technology. The former property owner has since performed further preliminary metallurgical testing which indicated that cyanide vat leaching could be a viable alternative to conventional heap leaching; with achieved vat gold recoveries in the low 80% range.

While the leaching mechanism is similar, the primary difference between heap and vat leaching is that heap leaching occurs on large pads which are exposed to the weather elements whereas vat leaching occurs in smaller, more controlled batches in concrete vats. Additional advantages to the method include lower investment risk, faster project development, more flexible processing, quicker revenue generation, increased gold recoveries, and lower environmental footprint. As a result, management has opted to proceed with construction of a vat leach test facility as part of an updated feasibility study of the property.

The former property owner began toll-milling high grade surface material at Santa Gertrudis in September 2016, the former property owner planned to continue processing the high grade material, generating significant cash flow for the duration of the vat construction.

Highlights from the former property owner's Trenching Program were released October 19, 2016, and the program included some significant results including 18 metres of 32.77 grams per tonne of gold along the surface of the zone. The high-grade mineralization outcrops at surface towards the north, where it had been previously drilled by Phelps Dodge with reverse circulation and diamond drill holes.

Mineralization

Field mapping and rock-chip geochemical sampling by Animas personnel within the Santa Teresa mining district confirms the presence of gold mineralization along north east striking (~045°), steeply west-dipping, normal and oblique slip faults. Gold mineralization appears to occur primarily within the hanging wall portions of the fault zones and these faults are believed to be the primary "feeder" structures for the known gold mineralization. Where the northeast-trending faults intersect northwest-trending, reactivated, bedding parallel thrust faults (~345°) and deformation zones, gold mineralization tends to bleed out along these more permeable zones. Tensional, conjugate sets of north-south and east-west trending faults also control the localization of gold mineralization, but these zones generally are less well mineralized than the northeast- and northwest-trending set of faults.

Mineralization appears to occur preferentially in rocks that were both structurally prepared and had chemical properties that allowed for gold deposition. Calcareous siltstone and limestone in La Gloria, Greta, and Santiago show strong local dissolution and jasperoid replacement is present throughout the district on a small and large scale. This pattern of intersection of faults in preferred host rocks is repeated throughout the district and has been the model used to explore the district since the early Phelps Dodge days. Based on this apparent fact, any larger deposits to be found at depth or under alluvial cover probably will likewise be associated with favourable structural intersections and chemically reactive calcareous host rocks.

Gold mineralization within the Santa Teresa mining district is most common in areas of structural ground preparation and less so as replacement deposits in calcareous units. Favourable ground preparation produced by a combination of high-angle, bedding-plane, and near bedding-plane faults and fractures resulted in the formation of zones that can have considerable lateral and presumed down-dip extent. This type of mineralization is most characteristic at El Toro, El Corral, Mirador, Escondida, Becerros Norte, Manueles Sur, Maribel, and Camello. Mineralized zones are generally 10 to 30 metres thick, and locally extend outward to a limited extent as replacement of the calcareous units. The most favourable structural settings for gold mineralization clearly are where north-east and north-west-trending fault zones intersect.

Metallurgical Testing

The Santa Gertrudis Property is comprised of 38 discrete deposits; of which 13 have been subjected to some metallurgical testwork, and a few have been partially mined. Operating records for past operations are not available and recovery estimates are therefore based on the available lab data. The metallurgical testwork (bottle roll and column tests) yielded a wide range of gold extractions for oxide material overall, although insensitive to head grade. Gold extractions were typically between 75% and 90%.

Sampling and Analysis

There were three drilling campaigns completed by Animas at the Santa Gertrudis Property taking place in the years 2008, 2009, and 2010. The sampling procedures were slightly different in 2008 than they were in 2009 and 2010. In 2014, the former property owner completed a drilling campaign at the Santa Gertrudis Property.

In the latter part of 2009 and all of 2010, all samples were sent to ALS Minerals Lab ("**ALS**"), in Hermosillo, México for preparation and analysis. ALS labs maintain International Organization for Standardization ("**ISO**") registrations and accreditations, providing independent verification that a quality management system is in operation at the location in question. Most ALS laboratories are registered or are pending registration to ISO 9001:2008, and a number of analytical facilities have received ISO 17025 accreditations for specific laboratory procedures. Sample prep at ALS consisted of crushing the sample to 70% passing -10 mesh, reducing the sample through a Jones riffle splitter, and pulverizing to 85% passing -200 mesh. Gold was determined using fire assay on a 30 grams aliquot, with AAS finish. Samples exceeding an upper threshold of 10 g/t Au were reanalyzed using gravimetric determination.

Following the 2008 drill program, it was decided to make property standards from material at the Santa Gertrudis Property. Four property standards of varying grades were prepared by Shea Clark Smith (Minerals Exploration and Environmental Geochemistry, MEG), of Reno, Nevada. Five samples were sent to each of 10 different certified, commercial labs for a round robin characterization. Statistics were applied to the results, and a mean and between-lab standard deviation were calculated for each standard. Grades of the property standards were 0.16 g/t Au, 0.56 g/t Au, 1.24 g/t Au and 4.12 g/t Au. A total of 285 standard samples were submitted with the routine samples. The standards performed very well, with six failures below three standard deviations from the mean, and nine misallocations. All other values were within plus and minus two standard deviations from the mean. Unmineralized Cintura formation was chosen from the site, and a "blank" sample created. The "blank" sample, was assayed extensively and determined to contain less than 5 ppb Au. For all the 2009 and 2010 drilling, a standard was inserted every 15 samples and three blanks (broken, uncrushed rock) were inserted per drill hole.

The Santa Gertrudis Property was visited by Mr. Fred Brown, P. Geo., from December 9 to 13, 2013, and again from February 11 to 21, 2014, for the purposes of completing site visits and due diligence sampling. General data acquisition procedures, core logging procedures and quality assurance/quality control were discussed during the visit. Mr. Brown collected 12 samples from 10 diamond drill holes in December 2013, and six samples from six drill holes in February. Samples were collected by taking the half core remaining in the core box. Once the samples were collected, they were placed in a large bag and taken by Mr. Brown to ALS in Hermosillo, México for preparation and analysis. Samples at ALS were analyzed for gold by fire assay-AAS, and specific gravities were determined on 13 of the samples.

Security of Samples

With respect to the three drilling campaigns completed by Animas at the Santa Gertrudis Property in 2008, 2009, and 2010, the same general sample preparation procedures were followed. Core boxes were delivered to the logging facility where the geologists were responsible for estimating recovery and laying out sample intervals at 1.5 metre increments. If there were significant lithologic and/or alteration changes, shorter sample intervals were designated, however none was less than 0.5 metres. Sample intervals were marked on the sides of the core boxes as a permanent record. Drill core was moved to the sawing area by the cutting crew. The entire core was sawed in half with one half maintained in the core box for logging and future reference, and the second half bagged as an analytical sample. In areas of strongly broken rock, half of the fractured rock was subdivided without sawing using a metal sampling device. Each analytical sample was given a unique number from pre-numbered sample tag books. That number was marked on the outside of the plastic sample bag. The sample tag was composed of two identically numbered parts; one remained in the book for future reference and had the drill hole number and footage recorded. The second half with only the sample number was placed in the numbered plastic bag with the sample. Each bag was sealed by the sample handler and not opened again until it reached the sample preparation facility. Groups of sample bags were placed in rice bags that were also sealed and labeled to identify the contained individual samples.

The rice bags were not opened until they reached the sample preparation facility. The former property owner completed a drilling campaign in 2014, which was comprised of 13 holes on the Escondida deposit, and five holes on the Ruben deposit. The former property owner employed the services of Activation Laboratories ("**Actlabs**") in Zacatecas, México, for all sample preparation and analysis. The Actlabs' quality system is accredited to international quality standards through the ISO/International Electrotechnical Commission ("**IEC**") 17025 (ISO/IEC 17025, which includes ISO 9001 and ISO 9002 specifications) with CAN-P-1758 (Forensics), CAN-P-1579 (Mineral Analysis) and CAN-P-1585 (Environmental) for specific registered tests by the Standards Council of Canada. The accreditation program includes ongoing audits, which verify the quality assurance system and all applicable registered test methods. All the samples were shipped in marked, sealed, tagged bags to Actlabs in Zacatecas, México. Both the sample prep and analyses were completed at this location. Gold was analyzed using fire assay-AAS up to a grade of 10,000 ppb Au, (10 g/t Au). Results exceeding 10,000 ppb Au were reanalyzed using fire assay with a gravimetric finish, and reported in g/t.

Mineral Resource Estimate

The mineral resource estimate for the Santa Gertrudis Property is summarized in the following table as per the Santa Gertrudis Report:

Total Mineral Resources *(1-5)*

		Indicated			Inferred		
	Cut-off Au		**Au**	**Au**		**Au**	**Au**
Type	**(g/t)**	**(Kt)**	**(g/t)**	**(Koz)**	**(Kt)**	**(g/t)**	**(Koz)**
Oxide	0.16	22,072.3	1.06	751.2	6,696.8	0.96	207.1
Mixed	0.25	815.8	1.47	38.5	851.5	1.44	39.4
Sulphide	0.60	174.2	1.90	10.6	4.2	2.32	0.3
Amelia Pads	0.20	244.3	1.19	9.4	192.5	1.25	7.7
Total:		**23,306.6**	**1.08**	**809.7**	**7,745.0**	**1.02**	**254.5**

Notes:

(1) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(2) The quantity and grade of reported inferred resources in this estimation are conceptual in nature an there has been insufficient exploration to define these Inferred resources as an indicated or measured mineral resource, and it is uncertain if further exploration will result in upgrading them to an Indicated or measured mineral resource category

(3) The mineral resources in this estimate were calculated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines as prepared by the CIM Standing Committee on Reserve Definitions, as well as the requirements on NI 43-101.

(4) All resources are reported within an optimized pit shell developed using the following economic parameters: Gold Price US$1,300 per ounce. G&A cost US$0.80 per tonne. Mining cost US$1.40 per tonne. Processing cost US$4.00 per tonne for oxides, carbonaceous oxides and mixed oxide/sulphide deposits, and US$22.00 per tonne for sulphides. Process recoveries used are 75% for oxides and leach pad material, and 50% for mixed oxide/sulphide deposits, and 90% for sulphides. Optimized pit slopes are 50 degrees.

(5) The mineral resource table incorporates 35 deposits and associated optimized pit shells as well as three leach pads.
(6) The effective date of the mineral resource estimate is August 22, 2014.

The Santa Gertrudis Report has been supplemented by the Santa Gertrudis Update disclosed by Agnico on February 13, 2020. Please refer to the *Updated Mineral Resource Estimate* section below for further details.

Mining Methods

The Santa Gertrudis Property contains numerous gold deposits, some of which were partially mined in the past. The deposits are near surface and lend themselves to conventional open pit mining methods. The entire project area is about 10 kilometres long in both the north-south and east-west directions.

Pursuant to the Santa Gertrudis PEA production plan, 27 different open pits may be developed over the life of Santa Gertrudis Property to support a heap leaching operation. Some heap leach feed material will also be mined from a historical heap leach pad that retains recoverable gold.

Based on preliminary pit optimizations, and the application of dilution and losses factors, potential mine production and heap leach feed tonnages were estimated for each deposit. The total quantity of material that would be sent to the leach pad is calculated to be 29.5 million tonnes containing 916 thousand ounces of gold. The overall waste to potential heap leach feed ratio is 5.5:1.

It is assumed that the Santa Gertrudis Property will be operated as a contracted conventional truck-and-shovel open pit mining operation. While owner-operated mining may be an option, this was not considered in the Santa Gertrudis PEA since many of the other mines in northern México rely on the use of mining contractors.

The various deposits will be mined sequentially and will deliver the heap leach feed to a single, centrally located heap leach facility for processing. The target heap leaching rate is approximately 2.7 Mt/a or approximately 7,500 t/d. The total daily mining rates of leach feed and waste combined, will range between 31,000 t/d to 55,000 t/d but average approximately 46,000 t/d.

Recovery Methods

The process design is based on the use of conventional heap leach technology with a process rate of 2.7 Mt/a or 7,500 t/d.

An area has been identified which can accommodate the entire potential life-of-mine production envisaged in the Santa Gertrudis PEA. Potential heap leach feed will be crushed in two stages and conveyed by a series of conveyors and a radial stacker capable of accessing the entire pad area. This material will be stacked in 6 metre or 8 metre high lifts and irrigated with dilute cyanide solution. Pregnant solution will discharge the heap under gravity via embedded drainage piping and the contained gold will be absorbed onto activated carbon in a five stage carbon-in-column circuit. Gold will be eluted from the carbon periodically in a conventional batch pressure elution process, then electrowon and smelted to produce doré on site. Pregnant and barren solution ponds will provide surge for the process solutions and an emergency pond capable of holding anticipated maximum storm event water plus drawdown from the heap in the unlikely event of a concurrent temporary loss of power.

A smaller "detox" pond will allow for possible treatment and discharge of water from the system. Normally the detox and emergency ponds will be empty.

Production Schedule

The mine production schedule consists of one year of pre-production pre-stripping and twelve years of mine production. The target heap leaching rate is approximately 2.7 Mt/a, or approximately 7,500 t/d. The total daily mining rates of leach feed and waste combined will range from 31,000 t/d to 55,000 t/d and average approximately 47,000 t/d.

Project Infrastructure

Access to the Santa Gertrudis Property is via a 39 kilometre gravel road, leading from the paved Magdalena-Cucurpe Highway. There is also a network of unpaved roads (ranch, exploration and ore-haulage roads) that provide excellent access throughout the property. The previous mining activities have left water-filled open pits, waste piles and a lined, zero-discharge historic leach pad at Santa Gertrudis and two lined pads near Amelia. Animas undertook repairs and maintenance to the various service and accommodation buildings located around the Santa Gertrudis Property. The buildings were weatherproofed and basic services and furnishings restored. The camp water tank was filled, drill sample handling facilities exploration camp, with residences, an office and a dining hall.

There is sufficient land to conduct a mining operation, including waste disposal, processing facilities and pads for heap leaching. Water can be obtained from the permitted water wells owned by First Silver Reserve, S.A. de C.V.

Environment

The Santa Gertrudis Property area has been affected by mining and logistical operations conducted by previous operators. Residual environmental and/or social liabilities caused by these previous operations, that are attributable to the Santa Gertrudis Property, would be the responsibility of Agnico.

With the exception of the Amelia Mine site, only minimal site environmental remediation is expected to be required. No issues related to acid rock drainage or heavy metal leaching are anticipated in waste rock or leached material because mainly oxide zones will be mined and processed.

No issues related to noise and dust are anticipated because the mining and leaching operations will be remote from villages and local haciendas. Shipment of materials in and out of the mine facilities will be minimal, which should limit concerns about local road traffic. Leaching solutions will be fully contained in lined containment areas.

The principal environmental impacts will be those related to land disturbance.

The permitting processes may take up to 1.5 to two years to complete, depending on official requirements for environmental baseline data, the perceived complexity of the operation and the environmental disturbance anticipated to be incurred during mine and heap leaching operations. At closure, actions will be required to address the environmental disturbance caused by the mining and processing operation. Closure activities would normally include the removal of all structures and equipment, neutralizing the leach pads, removal of solution containment ponds, stabilizing and re-planting the leach pad surfaces, stabilizing the pit benches and slopes and revegetating roads and other areas of disturbance.

The former property owner announced on March 2, 2015 that it had received the necessary environmental permits to proceed with construction of the Santa Gertrudis Property. The permits required the former property owner to take environmental precautions during construction and operation which will be built into the work plan and are included in the budget prepared in the Santa Gertrudis PEA. Bonding requirements will be determined early in calendar year 2016.

Capital and Operating Costs

The total estimated cost to design, procure, construct and start-up the facilities described in the Santa Gertrudis PEA is US$32.1 million. Most of this initial capital cost would be incurred over a two year construction period. In addition, life-of-mine sustaining capital is estimated to be in the order of US$15.6 million. The operating costs of mining, processing, and support services over the life-of-mine are summarized below:

Operating Cost Summary

Description	Total (millions)	LOM Average Unit Cost (US$/t heap leach feed)	LOM Unit Cost (US$/t rock)
Total Mining Contractor	US$290	US$9.84	US$1.51
Mining Fixed Cost	US$6	US$0.20	US$0.03
Processing (Oxide Feed)	US$99	US$3.54	
Processing (Mixed Feed)	US$5	Same as Oxide	
General & Administrative Fixed Cost	US$21	US$0.71	
Total:	**US$422**	**US$14.29**	

An economic evaluation of the potential mining and processing operation at the Santa Gertrudis Property was performed using discounted cash flow methods. Heap leach recoveries of 75% and 50% were respectively used for respective potential oxide and mixed heap leach feed types.

The study indicates gold production will average 56,000 troy ounces per annum and total 671,000 troy ounces over the 12 year life of the mine.

The estimated annual production and life-of-mine cashflows for the Santa Gertrudis Property are summarized below:

Project Cash Flow Summary

Description	Units	Total LOM
	Revenue	
Gold Price	US$/oz	US$1,250
Total Revenue (Life-of-Mine)	(millions)	US$836
	Operating Cost	
Mining Cost	(millions)	US$296
Processing	(millions)	US$105
G&A	(millions)	US$21
Total Operating Cost	(millions)	US$422
Average Cash Cost	US$/t oz	US$628
	Capital Cost	
Initial Cost	(millions)	US$32
Total Sustaining Capital	(millions)	US$16
Total Capital	(millions)	US$48
	Cash Flows	
Revenue	(millions)	US$836
(-) Operating Cost	(millions)	US$417
(-) Additional Mining tax	(millions)	US$4

Description	Units	Total LOM
(-) Capital Spending	(millions)	US$48
(-) Reclamation	(millions)	US$4
Pre-Tax Cash Flow	(millions)	US$362
(-) Taxes	(millions)	US$131
After-tax Cash Flow	(millions)	US$232

Economic Analysis

A discounted cashflow model was prepared using the production schedule described above and an examination of various cost parameters, including but not limited to contractor mining costs, the former property owner's mining costs, process operating costs, process salaried employees, process labour, costs of reagents and consumables and general and administrative costs. The cashflow model from the Santa Gertrudis PEA was developed on a pre-tax and after-tax basis. The cash flow model is assumed to commence from the time a production decision is made. It does not cover time or costs for a pre-feasibility or feasibility study.

The Santa Gertrudis Property economic evaluation conclusions are summarized in the table below. In the base case, with a gold price of US$1,250 per ounce, the Santa Gertrudis Property has an estimated US$232 million after-tax net cash flow, a US$150 million after-tax net present value at a 5% discount rate, and an after-tax internal rate of return of 58%. The payback period is estimated to be 1.7 years.

Economic Evaluation Summary

	Pre-Tax (millions)	After Tax (millions)
NPV0%	US$362.4	US$231.7
NPV5%	US$239.8	US$150.4
NPV7%	US$205.1	US$127.5
IRR=	79.3%	57.8%
Payback Period		1.7 years

The Santa Gertrudis PEA also included a sensitivity analysis which indicated that at a gold price of US$1,000, the NPV at 5% was US$74.3 million with an IRR of 34% and a 2.6 year payback.

Santa Gertrudis Update at September 30, 2016

The former property owner continued to assess various processing methods at the Santa Gertrudis Property. Further preliminary metallurgical testing indicated that vat leaching would be a viable alternative to heap leaching and in September 2016, with the purpose of further assessing this option, the former property owner announced plans to begin an initial phase with 2,000 tonnes per day vat leaching operation. To generate cash flow during the construction of the first phase of the vat leach plant, the former property owner acquired a 150 tonnes per day mill to mill high grade surface material. By September 30, 2016, the former property owner had poured 383 ounces of gold.

As of the date of the GoGold AIF, construction on phase one of the Santa Gertrudis vat leach plant has begun. It is estimated to take 3-4 months to complete vat construction and a total of 6 months to complete plant construction. While the initial phase involves construction of one vat with 2,000 tonnes per day capacity, should the results be satisfactory, production can be ramped up by the construction of additional vats.

In the event that the former property owner proceeded with the heap leaching method, the various deposits would be mined sequentially and will deliver the heap leach feed to a single, centrally located heap leach facility for processing. The target heap leaching rate for phase one is approximately 2,000 t/d.

Developments Following Santa Gertrudis Report and GoGold AIF

Agnico acquired its 100% interest in the Santa Gertrudis Property in November 2017. This 42,000-hectare property is located approximately 180 kilometers north of Hermosillo in Sonora, Mexico. The property was the site of historical heap leach operations that produced approximately 565,000 oz. of gold at 2.1 g/t gold between 1991 and 2000 and includes substantial surface infrastructure already in place, including pre-stripped pits, haul roads, water sources, and buildings.

Three favorable geological trends with a potential strike length of 18 kilometers have been identified on the property with limited drilling between deposits. In addition, the previous owner reported high-grade mineralization along northeast-trending structures. An additional 5,800 meters of drilling was planned for the remainder of 2018.

Developments after acquisition of Santa Gertrudis Property by Agnico

In the fourth quarter of calendar year 2017, historical data compilation was underway by Agnico with drilling expected to begin in the first quarter of 2018 through an initial $7.2 Million, 28,000 metre drill program.

In the second quarter of calendar year 2018, 9,152 metres had been drilled at the Corral, Greta and Cristina zones for the purposes of confirming and expanding mineralization. Notable intercepts include 9.4 metres at 4.7 g/t gold and 9.9 metres at 5.3 g/t gold at the Greta zone.

In the third quarter of calendar year 2018, 13,120 metres were drilled in 89 holes mainly in the Becerros, Toro, Escondida, Viviana and Trinidad zones. The third quarter drilling almost completed 2018's program to validate and confirm the most recent historical mineral resource estimates. The 2018 exploration program at the Santa Gertrudis Property consisted of 28,000 metres at a budget of US$7.2 million.

Exploration drilling in the third quarter of 2018 discovered the high-grade structurally controlled Centauro Zone, where hole SGE18-067 intersected 7.0 g/t gold over 4.0 metres at 43 metres depth. Centauro aligns well with, and may represent a projection of, the Camello area (part of Becerros Zone) 300 metres to the west. Centauro potentially also lies at the intersection of the Corral and Toro trends.

In the Becerros Zone, located approximately 1,000 metres southwest of the Centauro Zone, hole SGE18-068 intersected two intervals that are part of the same mineralized corridor: 1.8 g/t gold over 11.0 metres at 137 metres depth and 2.2 g/t gold over 3.0 metres at 151 metres depth. The main mineralized corridor that forms the Becerros deposit can now be traced over 1,500 metres strike length.

Four recent infill drill holes intersected the Toro Zone along a strike length of 1,660 metres, showing good correlation with historic drill results. The recent Toro intercepts include hole SGE18-072 that intersected 2.2 g/t gold over 18.0 metres at 134 metres depth. Sixteen hundred metres to the southwest, hole SGE18-076 had two intercepts in Toro: 1.1 g/t gold over 4.0 metres at 98 metres depth and 3.3 g/t gold over 11.8 metres at 145 metres depth. The Toro Zone is located 1,400 metres northwest of the Becerros Zone.

The Escondida Zone is in the northern portion of the Santa Gertrudis Property, 2,800 metres northeast of the Toro Zone. Recent drilling has confirmed the grades and widths of mineralization within the historic mineral resource area, such as hole SGE18-087 that twinned a historic hole, intersecting 1.8 g/t gold over 12.5 metres at 26 metres depth.

Seventeen hundred metres northwest of the Toro Zone is the Viviana Zone, where hole SGE18-098 intersected 4.8 g/t gold over 8.9 metres at 89 metres depth. Approximately 34 metres to its southeast, hole SGE18-102 intersected two mineralized intervals: 3.0 g/t gold over 3.0 metres at 51 metres depth and 0.7 g/t gold over 5.4 metres at 99 metres depth. Both exploration holes were drilled near the historic Viviana open pit.

At the Trinidad Zone, which is located 2,200 metres north-northeast of the Viviana Zone, recent drill results correlate well with historic drill holes in the area. Hole SGE18-089 intersected two mineralized intervals: 2.8 g/t gold over 7.0 metres at 30 metres depth (beneath a former open pit mine) and 10.5 g/t gold over 10.0 metres at 38 metres depth (including 19.5 g/t gold over 3.4metres). Additional follow-up drilling in this area in 2018 will aim to expand the historic mineral resources.

On April 25, 2019, Agnico announced that Santa Gertrudis drilling discovered new high-grade structures at Trinidad and further extends known resource areas. Highlights include 14.7 g/t gold over 11.5 metres at 170 metres depth at Trinidad and 5.1 g/t gold over 4.5 metres at 33 metres depth at Greta. In the first quarter of 2019, 45 drill holes (10,521 metres) were completed, mainly in the Trinidad, Greta, Viviana, Toro, and Becerros zones, which form part of the initial full-year budget of 29,000 metres. This drilling focused on extending the mineral resources and exploring new targets. Recent assay results from the Trinidad Trend have discovered a down-plunge extension of the main Amelia deposit and also an interpreted parallel high-grade structure that increases the potential of the zone. The discovery of additional structures is a result of better understanding the controls of mineralization in the district. The results for the Greta, Viviana, Toro, and Becerros trends represent mainly deposit extensions. Recent work at Amelia shows the potential for several parallel structures at underground depths, with grades higher than the current mineral resources at the Santa Gertrudis Property. These structures are open along strike and at depth. Agnico is also evaluating different project development scenarios at Santa Gertrudis. The Santa Gertrudis Property contains both low-grade oxide and high-grade sulfide types of mineralization that have been recognized from the surface down to 410 metres depth locally.

Further, on February 14, 2019, Agnico reported that drilling in 2018 outlined an initial inferred mineral resource of 962,000 oz. of Au grading 1.09 g/t at the Santa Gertrudis Property in Sonora, Mexico. The 31,127-metre program confirmed the historical drilling and discovered several high-grade feeder zones on the Santa Gertrudis Property highlighted by 12.1g/t gold over 5.1 metres at 99 metres depth and 9.7 g/t gold over 15.0 metres at 33 metres depth. The initial exploration budget for 2019 was US$8.2M, which includes 29,000 metres of drilling focused on expanding the mineral resource, testing the extensions of high-grade structures, and exploring new targets to be outlined by a target-generation initiative. However, given the favourable drill results, a supplementary exploration budget of US$2M was approved to conduct an additional 11,500-metre drill program solely focused at Amelia to investigate further “this promising deposit.” This was the second time in 2019 that Agnico has increased its exploration budget on the 44,145-hectare property.

On July 24, 2019, Agnico reported that they continue to expand mineralization at the Santa Gertrudis Property in Mexico. The Trinidad Zone has been extended by 800 meters to more than 3 kilometers strike length. Drilling extended the newly discovered Amelia deposit to a 700-meter strike length and a total depth of 450 metres. Notable intercepts by Agnico include 8.2 g/t gold over 7.3 metres and 8.8 g/t gold over 6 metres.

Moreover, drilling at the Becarros Zone has discovered new mineralization known as the Bertha target, located 250m northwest of the Becerros Norte deposit; highlighted by 2.1g/t gold over 9.5metres; 100 metres to the south west and 3 g/t over 8 metres. Half of the 2019 supplementary 11,500 metre drill program continues at Santa Gertrudis intending to explore new targets and expand the mineral resources.

On October 23, 2019, Agnico reported continued exploration success at the Santa Gertrudis Property, particularly at Amelia where over 15,000 metres have been drilled at the end of the third quarter of 2019. Drilling at the Amelia discovery continued to extend the deposit to the east. Significant intercepts to the north of Amelia include 3.9 g/t gold over 3.5 metres and 5.9 g/t gold over 8.5 metres, 70 metres to the northeast. The deepest hole to date at Santa Gertrudis, intercepted 2.1g/t gold over 4 metres at 439 metre depth and 150 metres to the northeast a hole intersected 6.4 g/t gold over 7 m. In the eastern extension of the Amelia deposit, drilling continued to expand the resource envelope with intercepts such as 9.6 g/t gold over 6 m, 5.8 g/t gold over 3.8 metres and 2.6 g/t gold over 8 metres.

Further south of the Trinidad zone, the Toro zone was extended to the northwest with holes intersecting 2.1 g/t gold over 6.5 metre and 1.1 g/t gold over 9 metre.

In the fourth quarter of calendar year 2019, Agnico announced the discovery of a new high-grade deposit called Espiritu Santo, 500 metres southeast of Amelia, including high-grade shallow mineralization with intersections such as 5.9 g/t gold and 159 g/t silver over 6.5 metres and 6.8 g/t gold and 42 g/t silver over 3 metres.

Updated Mineral Resource Estimate

In a news release dated February 13, 2020, Agnico released an updated resource estimate for the Santa Gertrudis Property with an indicated resource of 104,000 ounces (5.1 million tonnes at 0.64 g/t gold) and an inferred resource of 1.2 million ounces (22.1 million tonnes at 1.64 g/t gold). The resource estimate does not encompass Agnico's 2019 Q4 drilling that extended mineralization along strike, depth and the new discovery at Espiritu Santo.

Agnico's largest drill program in Mexico was at Santa Gertrudis in 2019, drilling a total of 42,778 metres. Drilling completed throughout the 44,145-hectare property was greater than the original budget of 29,000 metres due to the discovery of the Amelia deposit. Drilling at Amelia deposit totaled 19,352 metres at the end of 2019 and resulted in an increase in the strike length to a total of 900 metres; the deposit remains open along strike and at depth. Through the success of drilling in 2019, Agnico declared an initial inferred resource estimate of 521,000 ounces of gold at Amelia. Agnico is planning a 25,000-metre drill program in 2020 to test the new discovery at Espiritu Santo and expand the current mineral resources. Geological mapping and surface sampling continue to find additional target areas for drilling on the property. Notable highlights from Agnico's news release dated February 13, 2020 include 13.4 g/t gold over 3.8 metres and 9.6 g/t gold over 6 metres on the property.

In a press release dated April 30, 2020, Agnico announced it had intersected high-grade gold at the Amelia deposit demonstrating that the deposit remains open along strike and depth with hole 308 intersecting five high-grade structures commonly found at the bottom of the resource: 3.7 g/t gold over 6 metres, 3.3 g/t gold over 13 metres and 5.3 g/t gold over 10 metres. Beneath the underground resource, three step-out holes intersected high-grade gold of 3.1 g/t over 3.5 metres, 2.8 g/t over 22.5 metres and 3.5g/t over 4 metres, demonstrating the possibility to expand the resource base. At the Espiritu Santo deposit, drilling demonstrated that shallow gold and silver mineralization continues to the south west of the deposit with high grade intercepts such as 3.7 g/t gold and 424 g/t silver over 3 metres and 3.5 g/t gold and 7 g/t silver over 11.5 metres.

In a press release dated July 29, 2020, Agnico announced further expansion of the Amelia deposit, effectively expanding the potential high-grade resource base, and the extension of oxide mineralization at both the Trinidad Trend and Toro Zone. At Amelia, drilling intersected high-grade gold structures below the current underground resource including 1.9 g/t gold and 5 g/t silver over 10.2 metres and 6.1 g/t gold and 122 g/t silver over 6.3 metres. At Espiritu Santo drilling continued to intersect high-grade gold and silver mineralization with notable intercepts of 1.5 g/t gold and 2 g/t silver over 3.7 metres and 2.7 g/t gold and 321 g/t silver (uncapped silver value of 1,101 g/t) over 3.3 metres. Drilling at the El Toro trend tested targets in the upper oxide portions of historical opens pits which will be amenable to heap-leach processing, intersecting 1 g/t gold and 1 g/t silver over 21.3 metres and 2.8 g/t gold and 2 g/t silver over 9.5 metres.

Agnico’s disclosure on its website states that it believes that the Santa Gertrudis Property has the potential to be a similar size operation to its La India operation, which produced over 82Koz of gold in 2019, and Agnico is currently evaluating potential production scenarios that include using a heap leach operation to process lower grade mineralization and a small mill facility to process higher-grade ore.

DIVIDENDS

Metalla’s dividend policy is to pay out a target rate of 50% of the operating cash flow of the Company. While Metalla paid monthly dividends to holders of its Common Shares for each quarter during the financial year ended May 31, 2020, Metalla has not determined, as of the date of this AIF, to pay any dividends for the second half of the calendar year 2020. Going forward, the board of directors of the Company will continue to monitor the impact of the COVID-19 pandemic and assess the Company’s ability to pay dividends in respect of a particular quarter during its financial year.

On December 11, 2017, Metalla's board of directors declared its first cash dividend, and has paid a monthly dividend since that time. Over the past three years, Metalla has declared the following dividends:

Year	Payment Date	Amount per Common Share (C$)
2018	• January 15, 2018 • February 15, 2018 • March 15, 2018 • April 16, 2018 • May 15, 2018 • June 15, 2018 • July 16, 2018 • August 15, 2018 • September 17, 2018 • October 15, 2018 • November 15, 2018 • December 17, 2018	• $0.001 • $0.001 • $0.001 • $0.001 • $0.001 • $0.0015 • $0.0015 • $0.0015 • $0.0015 • $0.0015 • $0.0015 • $0.0015
2019	• January 15, 2019 • February 15, 2019 • March 15, 2019 • April 15, 2019 • May 15, 2019 • June 17, 2019 • July 15, 2019 • August 15, 2019 • September 16, 2019 • October 15, 2019 • November 15, 2019 • December 16, 2019	• $0.0015 • $0.0015 • $0.0015 • $0.0015 • $0.0015 • $0.001 • $0.001 • $0.001 • $0.001 • $0.001 • $0.001 • $0.001
2020	• January 15, 2020 • February 17, 2020 • March 16, 2020 • April 15, 2020 • May 15, 2020	• $0.001 • $0.001 • $0.004 • $0.004 • $0.004

Any determination to pay any future dividends will remain at the discretion of the Company's board of directors and will be made taking into account its financial condition and other factors deemed relevant by the board.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of May 31, 2020, there were 35,114,048 Common Shares issued and outstanding.

Holders of Common Shares are entitled to receive notice of any meetings of shareholders of the Company, to attend and to cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Company's board of directors at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of the Company are entitled to receive on a pro rata basis the net assets of the Company after payment of debts and other liabilities. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Warrants

The following table summarizes the outstanding share purchase warrants granted by the Company as of July 31, 2020.

Expiry Date	Price per Share/Exercise Price per Security	Number and Type of Securities (adjusted for 4:1 consolidation)	Reason for Issuance
November 8, 2020	$3.40	18,750 common shares	Loan Bonus Warrants
December 21, 2020	$4.68	235,124 common shares	Private Placement Warrants
December 21, 2020	$3.12	9,723 common shares	Broker Warrants
January 4, 2021	$4.68	252,344 common shares	Private Placement Warrants
January 4, 2021	$3.12	9,995 common shares	Broker Warrants
August 30, 2021	$1.80	20,833 common shares	Loan Bonus Warrants

Share Compensation Plan

The Company replaced its option plan with a share compensation plan in 2017 (the " **2017 Share Compensation Plan**"). On September 24, 2019, the Board approved replacing the 2017 Share Compensation Plan with a new share compensation plan (the "**Share Compensation Plan**"). The new Share Compensation Plan, like the prior 2017 Share Compensation Plan, provides for the granting of restricted share units (the "**RSUs**") and options to purchase Common Shares (the " **Options**"), and reflects our commitment to a long term incentive compensation structure that aligns the interests of our employees with the interests of its shareholders. RSUs may be granted by our Compensation Committee, which has been authorized to administer the Share Compensation Plan, to any director, officer or employee of the Company or any officer or employee of any subsidiary of the Company and, solely for purposes of the grant of Options, any director of the Company or any director of any subsidiary of the Company, and any Consultant (the "**Designated Participants**"). The Compensation Committee is entitled to exercise its discretion to restrict participation under the Share Compensation Plan. The Share Compensation Plan is a 10% "rolling" plan pursuant to which the number of Common Shares which may be issued pursuant to RSUs and Options granted under the Share Compensation Plan, and options and RSUs previously granted under the Option Plan and the 2017 Share Compensation Plan, is a maximum of 10% of the issued and outstanding Common Shares at the time of the grant; provided, however, that the total number of RSUs that may be issued under the Share Compensation Plan has been fixed at 1,770,806 RSUs.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the TSX-V under the symbol "MTA", on the NYSE market under the symbol "MTA" and on the Frankfurt Exchange under the Symbol "X9C". The following table sets forth information relating to the trading of the Common Shares on the TSX-V for the months indicated.

TSXV Period	High (C$)	Low (C$)	Volume
2019			
June	4.68	3.92	1,316,237
July	4.68	3.84	903,113
August	5.16	4.20	1,492,230
September	5.88	4.64	1,144,986
October	6.00	5.20	934,645
November	5.88	5.12	516,932
December	7.15	5.12	1,960,208
2020			
January	8.61	6.80	2,502,058
February	8.69	5.00	1,603,117
March	7.77	4.06	2,039,911
April	8.68	5.09	1,178,183
May	8.25	6.45	1,537,964
June	8.49	6.85	1,385,380

The price of the Common Shares as quoted by the TSX-V at the close of business on May 29, 2020 was C$8.18 and on the close of business on August 20, 2020 was C$12.03.

The Common Shares are also listed for trading on the NYSE under the symbol "MTA". The following table sets out the market price range and trading volumes of our Common Shares on the NYSE for the periods indicated.

NYSE Period	High (C$)	Low (C$)	Volume
2020			
January	6.60	5.34	3,068,300
February	7.33	3.58	3,962,000
March	5.99	3.00	5,336,600
April	6.27	4.00	4,037,700
May	6.00	4.58	4,173,000
June	6.28	5.06	5,507,910

The price of the Common Shares as quoted by the NYSE at the close of business on May 29, 2020 was US$5.93 and on the close of business on August 20, 2020 was US$9.27.

Options Issued

The following table summarizes the outstanding stock options granted by the Company as of July 31, 2020.

Expiry Date	Price per Share/Exercise Price per Security	Number and Type of Securities (adjusted for 4:1 consolidation)	Reason for Issuance
July 15, 2021	$0.84	41,666 common shares	Option Grant
November 15, 2021	$1.20	4,250 common shares	Option Grant
November 30, 2021	$1.32	116,666 common shares	Option Grant
March 6, 2022	$2.32	96,875 common shares	Option Grant
July 31, 2022	$2.16	445,250 common shares	Option Grant
March 1, 2023	$2.56	243,750 common shares	Option Grant
September 17, 2023	$2.92	326,563 common shares	Option Grant
January 4, 2024	$3.24	318,750 common shares	Option Grant
January 15, 2025	$7.66	600,000 common shares	Option Grant

RSUs Issued

Date	Price per Share/Exercise Price per Security	Number and Type of Securities	Reason for Issuance
January 15, 2020	$7.66	6,000 common shares[(1)]	RSU Grant
August 7, 2020	$11.90	205,000 common shares	RSU Grant

Note:

(1) *The issuance of shares pursuant to the RSUs has been deferred by the two holders.*

DIRECTORS AND OFFICERS

The following table sets forth the name, province/state and country of residence, position held with Metalla and principal occupation of each person who is a director and/or an officer of Metalla. Directors are elected at each annual meeting of Metalla's shareholders and serve as such until the next annual meeting of shareholders or until their successors are elected or appointed.

Name, Province/State and Country of Residence	Position(s) with the Company	Principal Occupation During Preceding Five Years	Number and Percentage of Common Shares Owned directly or beneficially as at May 31, 2020
Brett Heath *California, United States*	President and director since September 1, 2016 and Chief Executive Officer since June 16, 2017	Chief Executive Officer of the Company since June 2017; President of the Company since Sept 2016. Formerly Chairman and CEO of High Stream Corp. from 2015-2016. President of a private streaming corporation from 2013-2015. Founding principal of KSIR Capital Management, a private asset management firm focused on precious metals from 2009-2013.	1,058,091 (3.01%)

Name, Province/State and Country of Residence	**Position(s) with the Company**	**Principal Occupation During Preceding Five Years**	**Number and Percentage of Common Shares Owned directly or beneficially as at May 31, 2020**
Lawrence Roulston *Vancouver, British Columbia, Canada*	Director since March 1, 2017	Founder of WestBay Capital Advisors, a private corporation providing advisory and capital market expertise to the mining industry. President of Quintana Resources Capital, a private Corporation providing advisory services for US private investors. Mining analyst and consultant as well as the editor of Resource Opportunities, an independent publication focused on the mining industry.	49,416 (0.14%)
Kim C. Casswell *Vancouver, British Columbia, Canada*	Corporate Secretary since May 26, 2017	Corporate Secretary of Seabord Services Corp., a private company that provides office, reception, secretarial, accounting and corporate records services to public and private companies; 2009 - present. Ms Casswel has been and currently still is Corporate Secretary to a number of TSX Venture Exchange and Canadian Securities Exchange listed companies.	7,500 (0.02%)
William Tsang *Vancouver, British Columbia, Canada*	Chief Financial Officer since May 26, 2017	Currently Chief Financial Officer of Seabord Services Corp., a private company that provides office, reception, secretarial, accounting and corporate records services to public and private companies.; 2011 - present Mr. Tsang has been and currently still is Chief Financial Officer of several public companies listed on the TSX Venture Exchange. Mr.Tsang is a Chartered Professional Accountant with a Bachelor of Commerce from the University of British Columbia and more than 10 years of financial accounting and auditing experience in the mineral exploration and mining industry.	7,500 (0.02%)

Name, Province/State and Country of Residence	**Position(s) with the Company**	**Principal Occupation During Preceding Five Years**	**Number and Percentage of Common Shares Owned directly or beneficially as at May 31, 2020**
E B Tucker *Florida, United States*	Director since March 1, 2017	Writer for Strategic Investor, a monthly investment advisory letter. Analyst and lead analyst for Stansberry's Investment Advisory The Casey Report and The Bill Bonner Letter. Founding partner of KSIR Capital Management, a private asset management firm focused on precious metals.	282,956 (0.81%)
Alexander Molyneux *Taipei City, Taiwan*	Director since March 1, 2018	Mr.Molyneux currently serves as the Managing Director of Galeana Mining Ltd. (ASX:G1A) (2018 - Present) Mr. Molyneux also currently serves as Non-Executive Chairman of Argosy Minerals Ltd. (ASX:AGY) (2016 – present) and Azarga Metals Corp. (TSXV:AZR) Mr. Molyneux was previously Chief Executive Officer of one of the world largest publicly listed uranium producers, Paladin Energy Ltd. (ASX:PDN) (2015 – 2018), Non-Executive Director of Goldrock Mines Corp. (TSXV:GRM) (2012 – 2016) and was CEO and Director of SouthGobi Resources Ltd. (TSX: SGQ) (2009 – 2012), an Ivanhoe Mines Group company. Prior to these executive and director roles, Mr. Molyneux was Managing Director, Head of Metals and Mining Investment Banking, Asia Pacific for Citigroup in Hong Kong.	122,927 (0.35%)

Name, Province/State and Country of Residence	**Position(s) with the Company**	**Principal Occupation During Preceding Five Years**	**Number and Percentage of Common Shares Owned directly or beneficially as at May 31, 2020**
James Beeby. *North Vancouver, British Columbia, Canada*	Director since May 14, 2019	Partner, Bennett Jones LLP; June 2018 - present Partner, McCullough O'Connor Irwin LLP; January 2009 - June 2018	17,055 (0.05%)
Terry Krepiakevich *Vancouver, British Columbia, Canada*	Director since January 16, 2020	Mr. Krepiakevich currently serves as a director and Chair of the Audit Committee for Alexco Resource Corp. Mr. Krepiakevich also currently serves as a director for Kaizen Discovery Inc.	0 (0.0%)

As at May 31, 2020, the directors and executive officers of the Company, as a group, beneficially owned, directly and indirectly, or exercised control or direction over 1,545,445 Common Shares, representing approximately 4.40% of the total number Common Shares outstanding before giving effect to the exercise of options or warrants to purchase Common Shares held by such directors and executive officers.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as disclosed below, no director or executive officer of the Company is, as at the date hereof, or was within ten (10) years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that,

(i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, and that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as disclosed below, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to materially affect control of the Company,

(i) is, or within ten years prior to the date hereof has been, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(ii) has, within ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Except as disclosed below, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to,

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Mr. Roulston became a director of KBL Mining Ltd. (“ **KBL**”) in March 2015, a company listed on the Australian Stock Exchange at the time, as a result of being the director nominee of Quintana Resources Capital ULC (an investor in KBL by way of a streaming transaction which was secured by KBL’s Mineral Hill mine). On September 7, 2016, Mr. Roulston resigned his position as director and on September 8, 2016, KBL was placed into voluntary administration and on September 19, 2016, receivers were appointed. KBL is working on a recapitalization so that it is financially able to continue and re-list its common shares for trading.

Conflicts of Interest

To the best of the Company's knowledge, and other than as disclosed in this AIF, there are no known existing or potential material conflicts of interest between the Company and any director or officer of the Company, except that certain of the directors and officers serve as directors and officers of other public companies and therefore it is possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director or officer of such other companies.

Directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development or investment in natural resource companies and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the BCBCA and other applicable laws.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not party to any material legal proceedings or regulatory actions as of the date of this AIF. The Company is not aware of any material contemplated legal proceedings involving it or its operations.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No directors, executive officers or principal shareholders of the Company or any associate or affiliate of the foregoing have had any material interest, direct or indirect, in any transactions in which the Company has participated in its three most recently completed financial years, which has materially affected or is reasonably expected to materially affect the Company.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Vancouver, British Columbia.

MATERIAL CONTRACTS

The Company entered into the following material contracts within the financial year ended May 31, 2020, or since such time or before such time that are still in effect, other than in the ordinary course of business:

- the Beedie Loan Facility in the aggregate amount of $32.0 million - see section *General Development of the Business - Current Business of Metalla - Establishment of the C$12,000,000 Convertible Loan Facility* and *General Development of the Business - Current Business of Metalla - Amendment, Conversion and Drawdown of Beedie Convertible Loan Facility* for further information.

INTERESTS OF EXPERTS

The scientific and technical information contained in this AIF was reviewed and approved by Charles Beaudry, M.Sc., P.Geo. and géo. and a "Qualified Person" as defined in NI 43-101.

To the knowledge of Metalla, Mr. Beaudry holds less than 1% of the outstanding Common Shares of Metalla or of any associate or affiliate of Metalla as of the date hereof. Mr. Beaudry has not and will not receive any direct or indirect interest in any securities of Metalla as a result of the review and approval of the scientific and technical disclosure included in this AIF.

KPMG LLP are the auditors of the Company and have confirmed with respect to the Company that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

AUDIT COMMITTEE

The Company's audit committee ("**Audit Committee**") is responsible for monitoring the Company's systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents and monitoring the performance and independence of the Company's external auditors. The Audit Committee is also responsible for reviewing the Company's annual audited financial statements, unaudited quarterly financial statements and management's discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the full board of directors of the Company.

The Audit Committee's charter sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the Company's board of directors. A copy of the charter is attached hereto as Schedule "A". In the opinion of the Board of Directors, all members of the Audit Committee are "financially literate" and "independent," as such terms are defined by (i) National Instrument 52 110 Audit Committees ("**NI 52 110**"); (ii) the NYSE Company Guide; and (iii) Rule 10A-3 under the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

The following are the current members of the Audit Committee

Terry Krepiakevich(1)
Lawrence Roulston
Alexander Molyneux

Note:
(1) Chairman of the Audit Committee

Relevant Education and Experience

As noted above, each member of the Audit Committee is financially literate. Collectively, the Audit Committee members have the education and experience to fulfill their responsibilities as outlined in the Audit Committee charter. Set out below is a description of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member.

Name of Member	Education	Experience
Terry Krepiakevich	Bachelor of Arts - History University of British Columbia Chartered Accountant Designation (CPA, CA) Institute of Corporate Directors Designation (ICD.D)	Mr. Krepiakevich has over 30 years of experience as a CPA and CFO. Mr. Krepiakevich has served on several audit committee positions for both TSX and NYSE listed companies and, in May 2011, was recognized with the BC CFO of the Year Award. Mr. Krepiakevich is a Chartered Professional Accountant, and a certified member of the Institute of Corporate Directors.
Lawrence Roulston	Bachelor of Science - Geology University of British Columbia	Mr. Roulston is a mining professional with over 35 years of diverse hands-on experience and currently provides business advisory and capital markets expertise to the junior and mid-tier sectors of the mining industry. From 2014 to 2016, he was President of Quintana Resources Capital, which provided resource advisory services for US private investors, focused primarily on streaming transactions. Prior to that, Mr. Roulston was a mining analyst and consultant, as well as the editor of "Resource Opportunities", an independent investment publication focused on the mining industry. Mr. Roulston was also an analyst or executive with various companies in the resources industry, both majors and juniors and he has graduate level training in business.

Name of Member	Education	Experience
Alexander Molyneux	Bachelor of Economics Monash University, Australia Graduate Diploma of Mineral Exploration, Geoscience Curtin University (WA School of Mines), Australia	Mr. Molyneux is an experienced metals and mining industry executive and financier and currently serves as an executive officer and/or director of a number of publicly listed companies. Prior to these executive and director roles, Mr. Molyneux was Managing Director, Head of Metals and Mining Investment Banking, Asia Pacific for Citigroup in Hong Kong. As a specialist resources investment banker, he spent approximately 10 years providing advice and investment banking services to natural resources corporations. Mr. Molyneux continues to be based in Asia where he has an extensive network within the institutional investment community and local participants in the metals and mining industry.

The Board of Directors of the Company has determined that at least one member of the Audit Committee, Terry Krepiakevich, (i) is financially sophisticated within the meaning of Rule 803B of the NYSE Company Guide; (ii) is an "audit committee financial expert" as defined in Item 407(d)(5)(ii) and (iii) of Regulation S-K; and (iii) is independent (as determined under Exchange Act Rule 10A-3 and Section 803A of the NYSE Company Guide).

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 (*De Minimis Non-audit Services*) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee's charter sets out responsibilities regarding the provision of non-audit services by the Company's external auditors. This policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditor's independence and requires Audit Committee pre-approval of permitted audit and audit-related services.

External Auditor Service Fees

KPMG LLP acted as the Company's independent registered public accounting firm for the fiscal years ended May 31, 2020 and May 31, 2019. The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Auditor	Audit Fees (1) (C$)	Audit Related Fees (2) (C$)	Tax Fees (3 (C$))	All Other Fees (4) (C$)
2020	KPMG	$135,000	$54,150	$23,000	$Nil
2019	KPMG	$135,000	$10,000	$47,625	$Nil

Notes:

(1) The aggregate audit fees billed.

(2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and which are not included under the heading "*Audit Fees*".

(3) Fees billed for preparation of Company's corporate tax return.

(4) The aggregate fees billed for products and services other than as set out under the headings " *Audit Fees*", "*Audit Related Fees*" and "*Tax Fees*".

OTHER COMMITTEES

Compensation Committee: The compensation committee (the "**Compensation Committee**") will be responsible for the review of all compensation (including stock options) paid by the Company to the board of directors, executive officers and employees of the Company and any subsidiaries, to report to the board of directors on the results of those reviews and to make recommendations to the board of directors for adjustments to such compensation. The Compensation Committee consists of three directors, all of whom are independent (outside, non-management) directors (Lawrence Roulston – (Committee Chairman), E.B. Tucker and Alexander Molyneux,). Each member of the Compensation Committee has direct experience relevant to their responsibilities on the Compensation Committee, including acting as officers and directors of other publicly traded companies so that they are familiar with remuneration in the Company's industry.

Corporate Governance and Nominating Committee : The corporate governance and nominating committee (the " **CG&N Committee**") will be responsible for advising the board of directors of the appropriate corporate governance procedures that should be followed by the Company and the board of directors and monitoring whether they comply with such procedures. The CG&N Committee consists of three directors, all of whom are independent (outside, non-management) directors (James Beeby – (Committee Chairman), and E.B. Tucker, and Terry Krepiakevich).

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the management information circular of the Company to be filed on SEDAR at www.sedar.com. Additional financial information is provided in the Company's audited financial statements and management's discussion and analysis for the financial year ended May 31, 2020.

SCHEDULE "A"

METALLA ROYALTY & STREAMING LTD.
AUDIT COMMITTEE CHARTER

CHARTER
FOR
THE AUDIT COMMITTEE
OF
THE BOARD OF DIRECTORS

I. MANDATE

The Audit Committee (the "**Committee**") of the Board of Directors (the " **Board**") of Metalla Royalty & Streaming Ltd. (the " **Company**") shall assist the Board in fulfilling its financial oversight responsibilities by overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;

2. The compliance of such statements and information with legal and regulatory requirements;

3. The qualifications and independence of the Company's independent external auditor (the " **Auditor**"); and

4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of at least three members, each of whom is a director of the Company who meets the independence, financial literacy and other requirements set out below.

B. Qualifications

Each member of the Committee must meet the independence requirements of all applicable Canadian and United States securities laws and stock exchange rules (collectively, the "**AC Rules**") unless an exemption is available.

No member of the Committee may, other than in his or her capacity as a member of the Committee, the Board, or any other committee of the Board, accept directly or indirectly any consulting, advisory, or other "compensatory fee" (as such term is defined under applicable AC Rules) from, or be an "affiliated person" (as such term is defined under applicable AC Rules) of, the Company or any subsidiary of the Company unless an exemption or exception under applicable AC Rules is available.

A member of the Committee must not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years unless an exemption or exception under applicable AC Rules is available.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement.

At least one member of the Committee must be "financially sophisticated", as defined in the AC Rules, in that he or she has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including but not limited to being or having been a chief executive officer, chief financial officer, other senior officer with financial oversight responsibilities. An "audit committee financial expert" (as such term is defined under Item 407(d)(5)(ii) and (ii) of Regulation S-K) is presumed to qualify as financially sophisticated.

C. Appointment and Removal

In accordance with the Company's Articles, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall appoint a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for, and chair all meetings of, the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee shall meet as often as is necessary to fulfil its duties respecting the Company's quarterly and annual financial statements but not less than on a quarterly basis as provided in this Charter. The Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with, and to discharge its duties under, Section III of this Charter.

The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of the members comprising the Committee.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee believes would be appropriate to discuss privately.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board. Notwithstanding the foregoing, the Committee is directly responsible for the appointment, compensation, retention and oversight of the work of the Auditor and any other registered public accounting firm engaged for the purpose of preparing or issuing an audit or performing other audit, review or attest services for the Company.

The Company must provide appropriate funding, as determined by the Committee, for payment of (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, (ii) compensation to any independent counsel or other advisors employed by the Committee, and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out the Committee's duties.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Actively engage in a dialogue with the Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.

2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.

3. Require the Auditor and any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company to report directly to the Committee.

4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

5. Be directly responsible for the appointment, compensation, retention and oversight of the work of the Auditor and any other registered public accounting firm engaged (including resolution of disagreements between management and the Auditor or such public accounting firm regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

6. Review annually the performance of the Auditor, and either appoint a new Auditor or recommend to shareholders that the existing Auditor be re-elected.

7. Pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the Auditor; provided, however, that pre-approval of services other than audit, review or attest services is not required if such services:

   (a) constitute, in the aggregate, no more than 5% of the total amount of revenues paid by the Company to the Auditor during the fiscal year in which the services are provided;

   (b) were not recognized by the Company at the time of the engagement to be non-audit services; and

   (c) are promptly brought to the attention of the Committee and approved prior to the completion of the audit by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.

Preparation of Financial Statements

8. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

9. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

10. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

11. Review management's report on, and assess the integrity of, the internal controls over the financial reporting of the Company and monitor the proper implementation of such controls.

12. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

13. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:

    a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor or management.

    b) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

14. Review and recommend to the Board for approval the Company's annual and interim financial statements, annual and interim Management's Discussion and Analysis, Annual Information Form, annual report filed pursuant to the Exchange Act on Form 40-F (or such other form as may apply), future-oriented financial information or pro-forma information, and other financial disclosure in continuous disclosure documents, including within any annual or interim profit or loss press releases, and any certification, report, opinion or review rendered by the external auditor, before the Company publicly discloses such information.

15. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

16. Review any disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements and public disclosure about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Related Party Transactions

17. Review and approve related party transactions as required under applicable AC Rules.

Manner of Carrying Out its Mandate

18. Consult, to the extent it deems necessary or appropriate, with the Auditor but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

19. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

20. Have the authority, if it deems it necessary or appropriate, to engage independent legal counsel, and accounting or other advisers to advise the Committee.

21. Meet separately, if it deems it necessary or appropriate, with management and the Auditor.

22. Make periodic reports to the Board as is necessary or required.

23. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

24. Annually review the Committee's own performance.

25. Provide an open avenue of communication between the Auditor and the Board.

26. Not delegate these responsibilities other than to one or more independent members of the Committee the authority to pre-approve, which the Committee must ratify at its next meeting, audit and permitted non-audit services to be provided by the Auditor.

C. Whistle-Blower Policy

The Committee shall establish and annually review the procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

D. Limitation of Audit Committee's Role

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

This amended Charter was approved by the Board of Directors on September 24, 2019.



CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

FOR THE YEARS ENDED MAY 31, 2020 AND 2019

KPMG LLP
Chartered Professional Accountants
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Canada

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of Metalla Royalty & Streaming Ltd.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Metalla Royalty & Streaming Ltd. (the Company), which comprise the consolidated statements of financial position as of May 31, 2020 and 2019, the related consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of May 31, 2020 and 2019, and the results of its financial performance and its cash flows for the years then ended, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company has changed its accounting policies for leases as of June 1, 2019 due to the adoption of IFRS 16, *Leases*.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. KPMG Canada provides services to KPMG LLP.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/**s**/ **KPMG LLP**

Chartered Professional Accountants

We have served as the Company's auditor since 2017.

Vancouver, Canada
August 21, 2020

METALLA ROYALTY & STREAMING LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

		May 31 2020		May 31 2019
ASSETS				
Current assets				
Cash	$	4,695,653	$	4,603,062
Accounts receivables (Note 3)		232,042		325,310
Prepaid expenses and other		300,638		343,864
Total current assets		5,228,333		5,272,236
Non- current assets				
Royalty, stream, and other interests (Note 4)		62,570,580		56,260,383
Investment in Silverback (Note 5)		1,978,043		2,191,433
Right-of-use asset		3,721		-
Total non- current assets		64,552,344		58,451,816
TOTAL ASSETS	$	69,780,677	$	63,724,052
LIABILITIES AND EQUITY				
LIABILITIES				
Current liabilities				
Trade and other payables (Note 6)	$	1,849,326	$	1,610,462
Current portion of loans payable (Note 7)		-		2,798,975
Total current liabilities		1,849,326		4,409,437
Non- current liabilities				
Loans payable (Note 7)		4,595,440		-
Deferred income tax liabilities (Note 9)		660,305		145,221
Total non- current liabilities		5,255,745		145,221
Total liabilities		7,105,071		4,554,658
EQUITY				
Share capital (Note 10)		92,198,893		83,058,255
Reserves		9,904,578		7,396,376
Deficit		(39,427,865)		(31,285,237)
Total equity		62,675,606		59,169,394
TOTAL LIABILITIES AND EQUITY	$	69,780,677	$	63,724,052

Commitments (Note 14)
Event after reporting date (Note 15)

These consolidated financial statements were authorized for issuance by the Board of Directors on August 21, 2020.

Approved by the Board of Directors

"Brett Heath" Director *"Terry Krepiakevich"* Director

The accompanying notes are an integral part of these consolidated financial statements.

METALLA ROYALTY & STREAMING LTD.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars, except for share amounts)

	Year ended May 31 2020	Year ended May 31 2019
Revenue from royalty interests (Note 8)	$ 90,273	$ -
Revenue from stream interest (Note 8)	3,520,828	7,852,661
Total revenue	3,611,101	7,852,661
Cost of sales, excluding depletion	(1,380,820)	(2,998,947)
Depletion on royalty and stream interests (Note 4)	(911,427)	(2,415,942)
Gross profit	1,318,854	2,437,772
General and administrative expenses	(4,271,559)	(2,802,556)
Share-based payments (Note 10)	(2,040,749)	(1,084,471)
Loss from operations	(4,993,454)	(1,449,255)
Share of net income of Silverback (Note 5)	97,905	92,843
Interest expense (Note 7)	(914,258)	(489,458)
Finance charges (Note 7)	(436,137)	-
Accretion and other expenses	(12,145)	(46,396)
Fair value adjustment on marketable securities	12,488	-
Foreign exchange gain (loss)	112,880	(194,792)
Loss before income taxes	(6,132,721)	(2,087,058)
Current income tax recovery (expense) (Note 9)	128,718	(408,524)
Deferred income tax recovery (expense) (Note 9)	(515,083)	52,093
Net loss	$ (6,519,086)	$ (2,443,489)
Other comprehensive income (loss)		
Items that may be reclassified subsequently to profit and loss:		
Foreign currency translation adjustment	(372,299)	262,819
Other comprehensive income (loss)	(372,299)	262,819
Total comprehensive loss	$ (6,891,385)	$ (2,180,670)
Earnings (loss) per share - basic and diluted	$ (0.19)	$ (0.10)
Weighted average number of shares outstanding - basic and diluted	33,887,938	25,704,885

The accompanying notes are an integral part of these consolidated financial statements.

METALLA ROYALTY & STREAMING LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year ended May 31 2020	Year ended May 31 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (6,519,086)	$ (2,443,489)
Items not affecting cash:		
Share of net income of Silverback	(97,905)	(92,843)
Depletion and amortization	933,735	2,415,942
Interest and accretion expense	914,258	489,458
Finance charges	436,137	-
Share-based payments	2,040,749	1,084,471
Deferred income tax expense (recovery)	515,083	(52,093)
Fair value adjustment on marketable securities	(12,488)	-
Unrealized foreign exchange effect	30,948	126,511
	(1,758,569)	1,527,957)
Changes in non-cash working capital items:		
Accounts receivable	93,268	(36,031)
Prepaid expenses and other	79,228	(213,049)
Trade and other payables	27,790	1,007,794
Net cash (used in) provided by operating activities	(1,558,283)	2,286,671
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of royalty and stream interests (Note 4)	(4,804,669)	(13,458,638)
Recoveries from royalty and stream interests	-	105,273
Dividend received from Silverback (Note 5)	311,293	314,285
Net cash used in investing activities	(4,493,376)	(13,039,080)
CASH FLOWS FROM FINANCING ACTIVITIES		
Private placements, net of share issue costs	-	6,381,927
Proceeds from exercise of stock options	967,721	48,000
Proceeds from exercise of share purchase warrants	3,469,396	5,224,900
Dividend paid	(1,623,542)	(1,813,738)
Proceeds from convertible loans facility	7,000,000	2,554,721
Repayment of loan principal	(2,666,250)	(1,566,939)
Interest paid	(599,980)	(377,837)
Finance charges paid	(436,137)	-
Net cash provided by financing activities	6,111,208	10,451,034
Effect of exchange rate changes on cash	33,042	87,080
Change in cash	92,591	(214,295)
Cash, beginning of year	4,603,062	4,817,357
Cash, end of year	$ 4,695,653	$ 4,603,062

Supplemental disclosure with respect to cash flows (Note 12)

The accompanying notes are an integral part of these consolidated financial statements.

METALLA ROYALTY & STREAMING LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars, except for share amounts)

	Number of shares	Share capital	Reserves	Deficit	**Total equity**
Balance as at May 31, 2018	18,859,546	$ 35,859,181	$ 6,424,470	$ (27,028,010)	$ 15,255,641
Private placements and share issuances	2,187,202	6,423,933	400,137	-	6,824,070
Share issue costs	-	(442,143)	-	-	(442,143)
Share issue costs, finder's warrants	-	(90,769)	90,769	-	-
Acquisition of royalty and other interests	7,655,252	27,064,436	801,345	-	27,865,781
Conversion on loan payable (Note 7)	2,307,411	7,199,123	-	-	7,199,123
Exercise of stock options	33,333	74,892	(26,892)	-	48,000
Exercise of share purchase and finder's warrants	2,042,003	6,802,702	(1,577,802)	-	5,224,900
Share-based payments - stock options	-	-	917,571	-	917,571
Share-based payments - restricted share units	53,500	166,900	-	-	166,900
Warrants issued for loans payable (Note 7)	-	-	103,959	-	103,959
Foreign currency translation adjustment	-	-	262,819	-	262,819
Dividend paid	-	-	-	(1,813,738)	(1,813,738)
Loss for the year	-	-	-	(2,443,489)	(2,443,489)
Balance as at May 31, 2019	33,138,247	$ 83,058,255	$ 7,396,376	$ (31,285,237)	$ 59,169,394
Acquisition of royalty and other interests	359,695	2,760,955	-	-	2,760,955
Exercise of stock options	565,603	1,875,723	(908,002)	-	967,721
Exercise of share purchase and finder's warrants	959,698	4,125,566	(656,170)	-	3,469,396
Share-based payments - stock options	-	-	1,392,902	-	1,392,902
Share-based payments - restricted share units	90,805	378,394	269,453	-	647,847
Allocation of conversion feature (Note 7)	-	-	2,782,318	-	2,782,318
Foreign currency translation adjustment	-	-	(372,299)	-	(372,299)
Dividend paid	-	-	-	(1,623,542)	(1,623,542)
Loss for the year	-	-	-	(6,519,086)	(6,519,086)
Balance as at May 31, 2020	35,114,048	$ 92,198,893	$ 9,904,578	$ (39,427,865)	$ 62,675,606

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS

Metalla Royalty & Streaming Ltd. ("**Metalla**" or the "**Company**"), incorporated in Canada, is a precious metals royalty and streaming company, who engages in the acquisition and management of precious metal royalties, streams, and similar production-based interests. The Company's common shares are listed on the TSX Venture Exchange ("**TSX-V**") under the symbol "**MTA**" and on the NYSE American ("**NYSE**") under the symbol "**MTA**". The head office and principal address is 501 - 543 Granville Street, Vancouver, British Columbia, Canada.

The Company has incurred a cumulative deficit to date of $39,427,865 as at May 31, 2020 (2019 - $31,285,237) and has had losses from operations for multiple years. Continued operations of the Company are dependent on the Company's ability to generate profitable earnings in the future, receive continued financial support, and/or complete external financing. Management expects that its cash balance, cash flows from operating activities, and available credit facilities will be sufficient to fund the operations of the Company for the next twelve months.

In December 2019, the Company completed a consolidation of its common shares on the basis of one new share for four old shares (1:4) effective December 17, 2019 and the listing of its common shares on the NYSE effective January 8, 2020. All figures have been adjusted to reflect the one for four share consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The consolidated financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**").

Basis of preparation and measurement

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments, which have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These consolidated financial statements are presented in Canadian Dollars except as otherwise indicated.

Accounting standards adopted during the year

Adoption of IFRS 16 Leases

The Company adopted IFRS 16 Leases ("**IFRS 16**") on June 1, 2019, in accordance with the transitional provisions of the standard, applying the modified retrospective approach. The comparative information has not been restated and continues to be reported under IAS 17 Leases and IFRIC 4 Determining Whether an Arrangement Contains a Lease, as permitted under the specific transitional provisions in IFRS 16.

At the inception of a contract, the new leasing standard requires the lessee to assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the lessee has the right to obtain substantially all of the economic benefits during the term of the arrangement and has the right to direct the use of the asset. If a lease is identified, the new standard eliminates the classification of leases as either operating or finance leases, and all leases that have a term of at least 12 months and are not of a low value will be recorded on the Company's consolidated statement of financial position.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Accounting standards adopted during the year (cont'd…)

Adoption of IFRS 16 Leases (cont'd…)

The Company has completed its assessment of the new standard. The process included a review of all lease and service contracts, to determine if we have the right to control the use of an identified asset for a period of time in exchange for consideration. Based on the Company's analysis, the only contract to which the Company will apply the new standard relates to the lease for the use of the Company's office premise. As a result of adopting the new standard, the Company recognized a right-of-use asset of $26,029. The right-of-use asset was measured at an amount equal to the lease liability on adoption.

New accounting policy for leases under IFRS 16 Leases

At inception of a contract, an assessment is made as to whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date of a lease, a right-of-use asset and a lease liability are recognized. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received. A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. The lease obligation is measured at amortized cost using the effective interest method and remeasured if there is a change in future lease payments.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. An assessment is made at the end of each reporting period if there is an indication the carrying value of the right-of-use asset is not recoverable.

Adoption of IFRIC 23 Uncertainty over Income Tax Treatments

The Company adopted IFRIC 23 Uncertainty over Income Tax Treatments (" **IFRIC 23**") on June 1, 2019, with retrospective application in accordance with the standard. IFRIC 23 clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. The adoption of IFRIC 23 did not result in any adjustments to the Company's financial results or disclosures.

Principles of consolidation

These consolidated financial statements include the accounts of the parent company and its subsidiaries after eliminating intercompany balances and transactions.

Subsidiaries

Subsidiaries are all entities over which the Company has exposure to variable returns from its involvement and has the ability to use power over the investee to affect its returns. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Foreign currency translation

These consolidated financial statements are expressed in Canadian dollars, unless otherwise noted. The functional currency of the Company is the Canadian dollar, which is the currency of the primary economic environment in which the entity operates. The Company's subsidiaries have functional currencies of either the Canadian dollar or the United States ("US") dollar depending on the currency of the primary environment where the entity operates. Determination of functional currency may involve certain judgements to determine the primary economic environment.

Transactions in currencies other than the functional currency are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the reporting date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the consolidated statement of loss and comprehensive loss.

On translation of the entity whose functional currency is the US dollar, revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Assets and liabilities are translated at the rate of exchange at the reporting date. Exchange gains and losses, including results of re-translation, are recorded in the foreign currency translation adjustment.

Royalty, stream, and other interests

Royalty, stream, and other interests consist of acquired royalty, stream, and other interests. These interests are recorded at cost and capitalized as tangible assets with finite lives. They are subsequently measured at cost less accumulated depletion and accumulated impairment losses, if any. Project evaluation costs that are not related to a specific royalty or stream asset are expensed in the period incurred.

Producing royalty and stream interests are depleted using the units-of-production method over the life of the property to which the interest relates, which is estimated using available information of proven and probable reserves and the portion of resources expected to be classified as mineral reserves at the mine corresponding to the specific agreement.

On acquisition of a royalty or stream interest, an allocation of its fair value may be attributed to the exploration potential of the interest and is recorded as an exploration asset on the acquisition date. The carrying value of the exploration potential is accounted for in accordance with IFRS 6 Exploration and Evaluation of Mineral Resources ("**IFRS 6**") and is not depleted until such time as the technical feasibility and commercial viability have been established, at which point the value of the asset is accounted for in accordance with IAS 16 Property, Plant and Equipment ("**IAS 16**"). Upon demonstration of the technical and commercial feasibility of a project and a development decision, the carrying value related to that project is subject to an impairment test and is reclassified in accordance with IAS 16.

Joint operations

Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Company recognizes its direct right to the assets, liabilities, revenues, and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues, and expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Investments in associates

Companies over which the Company has significant influence, but not control, are determined to be associates and accounted for using the equity basis of accounting, whereby the investment is initially recorded at cost, adjusted to recognize the Company's share of earnings or losses and reduced by dividends received. The Company assesses its equity investments for impairment if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the equity investment and if the event or events have an impact on the estimated future cash flow of the investment. Objective evidence of impairment of an equity investment includes:

- Significant financial difficulty of the associated companies;
- Becoming probable that the associated companies will enter bankruptcy or other financial reorganization; or
- National or local economic conditions that correlate with defaults of the associated companies.

Impairment of royalty, stream, and other interests

The carrying amounts of non-financial assets, excluding deferred income tax assets, are reviewed for impairment at each reporting date, or whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. If there are indicators of impairment, a review is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. Reviews are undertaken on an asset-by-asset basis, except where the recoverable amount for an individual asset cannot be determined, in which case the review is undertaken at the cash-generating unit ("**CGU**") level.

If the carrying amount of a CGU or non-financial asset exceeds the recoverable amount, being the higher of its fair value less costs to sell and its value-in-use, an impairment loss is recognized in net loss as the excess of the carrying amount over the recoverable amount. With respect to CGUs, impairment loses are allocated to reduce the carrying amounts of the assets of the CGU on a pro-rata basis. The future cash flow expected is derived using estimates of proven and probable reserves, a portion of resources that is expected to be converted into reserves and information regarding the Company's royalty, stream, and other production-based interests, respectively, that could affect the future recoverability of the Company's interests. Discount factors are determined individually for each asset and reflect their respective risk profiles. In certain circumstances, the Company may use a market approach in determining the recoverable amount which may include an estimate of (a) net present value of estimated future cash flows; (b) dollar value per ounce or pound of reserve/resource; (c) cash-flow multiples; and/or (d) market capitalization of comparable assets.

Non-financial assets that have previously been impaired are tested for a possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed, or may have partially reversed. In these instances, the impairment loss is reversed to the recoverable amount but not beyond the carrying amount, net of amortization, that would have arisen if the prior impairment loss had not been recognized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Revenue recognition

Revenue is comprised of revenue earned in the year from royalty, stream, and other interests. The Company recognizes revenue upon the transfer of control of the relevant commodity to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those commodities.

For stream interests, revenue recognition occurs when the relevant commodity received from the stream operator is delivered by the Company to its third-party customers. Revenue is measured at the fair value of the consideration received or receivable when management can reliably estimate the amount, pursuant to the terms of the sales contract.

For royalty interests, revenue recognition occurs when control of the relevant commodity is transferred to the end customer by the operator of the royalty property. Revenue is measured at the fair value of the consideration received or receivable when management can reliably estimate the amount, pursuant to the terms of the royalty agreement. In some instances, the Company will not have access to sufficient information to make a reasonable estimate of consideration to which it expects to be entitled and, accordingly, revenue recognition is deferred until management can make a reasonable estimate. Differences between estimates and actual amounts are adjusted and recorded in the period that the actual amounts are known.

Financial instruments

All financial instruments are initially recorded at fair value and designated as follows:

Cash includes cash on account and is subsequently measured at amortized cost.

Trade receivables relate to amounts received from sales of refined gold and silver and royalty revenue. These receivables are non-interest bearing and are recognized at fair value and are subsequently measured at amortized cost. We have applied the simplified approach to determining expected credit losses, which requires expected lifetime losses to be recognized upon initial recognition of the receivables.

Marketable securities are designated as fair value through profit and loss (" **FVTPL**") unless they are irrevocably designated, on an individual basis, as fair value through other comprehensive income ("**FVOCI**"). Investment transactions are recognized on the trade date with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the statement of financial position date.

Accounts payables, accrued liabilities, and loans payable are initially recorded at fair value, less transaction costs. These financial liabilities are subsequently measured at amortized cost, calculated using the effective interest rate method

Related party transactions

Parties are considered related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered related if they are subject to common control or significant influence. A transaction is considered a related party transaction when there is a transfer of resources or obligations between related parties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share capital

Common shares issued for non-monetary consideration are recorded at their fair value based on closing price on the measurement date and classified as equity. The measurement date is defined as the earliest of the date at which the commitment for performance by the counterparty to earn the common shares is reached or the date at which the counterparty's performance is complete.

The proceeds from the issue of units are allocated between common shares and share purchase warrants on a pro-rata basis based on the relative fair values. The fair value of the common shares is based on the market closing price on the date of issuance and the fair value of the share purchase warrants is determined using the Black-Scholes option pricing model.

Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Earnings (loss) per share

The Company presents basic earnings (loss) per share data for its common shares, calculated by dividing the income (loss) attributable to equity holders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted earnings per share is calculated by adjusting the earnings attributable to equity holders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted earnings per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. In periods where a loss is reported, diluted loss per share is the same as basic loss per share as the effects of potentially dilutive common shares would be anti-dilutive.

Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the consolidated statement of loss and comprehensive loss.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and losses carried forward. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share-based payments

The Company grants stock options and restricted share units ("**RSUs**") to directors, officers, employees and consultants to acquire common shares of the Company. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee. The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of the goods or services received.

The fair value method of accounting is used for share-based payment transactions. Under this method, the cost of stock options and other equity-settled share-based payment arrangements are recorded based on the estimated fair value at the grant date and charged to earnings over the vesting period. Where awards are forfeited because non-market based vesting conditions are not satisfied, the expense previously recognized is proportionately reversed in the period the forfeiture occurs.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Chief Executive Officer ("**CEO**").

The Company operates in a single segment, the acquisition and management of precious metal royalties, streams, and similar production-based interests. In addition, the Company has corporate activities, which include the evaluation and acquisition of new precious metal royalties, streams, and similar production-based interests, treasury and finance, regulatory reporting, and corporate administration.

Critical accounting estimates and judgments

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Information about significant areas of estimation uncertainty and judgments made by management in preparing the consolidated financial statements are described below. The preparation of consolidated financial statements in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, 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.

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Critical accounting estimates and judgments (cont'd…)

a) Royalty interests

The Company holds royalty interests in production stage mineral properties. The royalty interests are recorded initially at their costs and are being depleted using the units of production basis over the expected life of the related mineral property, which is determined using available estimates of future metal prices and future production. Proven and probable reserves and future production plans associated with the royalty interests as determined by the operators impact the measurement of the respective assets. These estimates affect the depletion of the royalty interests and the assessment of the recoverability of the carrying value of the royalty interests.

Management considers both external and internal sources of information in assessing whether there are any indications that the Company's royalty interests are impaired. External sources of information management considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its royalty interests. Internal sources of information that management considers include the indications of economic performance of the assets.

In determining the recoverable amounts of the Company's royalty interests, management makes estimates of the discounted net cash flows expected to be derived from the Company's royalty interests, costs of disposal, and the appropriate discount rates and discount multiples that apply to the specific asset. Reductions in metal price forecasts, increases in estimated future costs of production for the mine operators, reductions in the amount of recoverable mineral reserves, mineral resources, and exploration potential, and/or adverse current economics can result in a write-down of the carrying amounts of the Company's royalty interests.

b) Estimation of depletion

The Company's royalty, stream, and other production-based interests that generate economic benefits are considered depletable and are depleted on a unit-of-production basis over the ounces of production that are expected to generate the cash flows that will be attributable to the Company. These calculations require the use of estimates and assumptions, including the amount of contained metals, the recovery rates, and payable rates for the contained metals being treated through a milling or refining process. Changes to these assumptions may impact the estimated recoverable reserves, resources or exploration potential which could directly impact the depletion rates used. Changes to depletion rates are accounted for prospectively.

c) Income taxes

The interpretation of existing tax laws or regulations in Canada, Australia, Argentina, the United States, or any of the countries in which our property interests are located requires the use of judgment. Differing interpretation of these laws or regulations could result in an increase in the Company's taxes, or other governmental charges, duties or impositions. In addition, the recoverability of deferred income tax assets, including expected periods of reversal of temporary differences and expectations of future taxable income, are assessed by management at the end of each reporting period and adjusted, as necessary, on a prospective basis.

3. ACCOUNTS RECEIVABLE

	May 31 2020	May 31 2019
Royalty and stream receivables	$ -	$ 129,960
GST and other tax recoverable	180,943	195,350
Other receivables	51,099	-
	$ 232,042	$ 325,310

As at May 31, 2020 and 2019, the Company did not have any royalty and stream receivables that were past due. The Company's allowance for doubtful accounts as at May 31, 2020 and 2019 was $Nil.

4. ROYALTY, STREAM, AND OTHER INTERESTS

Royalty and stream on:	Producing assets	Development assets	Exploration assets	**Total**
As at May 31, 2018	$ 5,813,465	$ 10,156,817	$ 1,060,681	$ 17,030,963
Alamos acquisition	-	9,784,221	176,000	9,960,221
ValGold acquisition	-	8,067,299	150,001	8,217,300
Santa Gertrudis acquisiton	-	15,108,224	-	15,108,224
Cap-Oeste Sur East (COSE) acquisition	-	2,093,218	-	2,093,218
Fifteen Mile Stream (FMS) acquisition	-	5,691,629	-	5,691,629
Other additions	-	351,818	107,998	459,816
Depletion	(2,415,942)	-	-	(2,415,942)
Recoveries	-	(105,273)		(105,273)
Currency translation adjustments	220,227	-	-	220,227
As at May 31, 2019	3,617,750	51,147,953	1,494,680	56,260,383
Alamos royalty portfolio acquisition	-	67,455	18,888	86,343
Fifteen Mile Stream (FMS) acquisition	-	530,067	-	530,067
NuevaUnión acquisition	-	1,381,733	-	1,381,733
Idaho Resources Corp. acquisition	-	-	5,761,852	5,761,852
Other additions	-	88,702	27,972	116,674
Depletion	(911,427)	-	-	(911,427)
Recoveries	-	-	(150,000)	(150,000)
Reclassification (Joaquin and COSE)	8,399,942	(8,399,942)	-	-
Currency translation adjustments	(399,420)	-	(105,625)	(505,045)
As at May 31, 2020	$ 10,706,845	$ 44,815,968	$ 7,047,767	$ 62,570,580
Historical costs	$ 17,724,052	$ 44,815,968	$ 7,047,767	$ 69,587,787
Accumulated depletion	$ (7,017,207)	$ -	$ -	$ (7,017,207)

**Note: For transactions prior to the reporting period, please refer to the Company's past audited financial statements on SEDAR at www.sedar.com.*

4. ROYALTY, STREAM, AND OTHER INTERESTS (cont'd…)

During the year ended May 31, 2020, the Company had the following acquisitions:

IRC acquisition

In May 2020 the Company closed its stock purchase agreement under which it acquired all outstanding common shares of Idaho Resources Corp. ("**IRC**"), who held two gross overriding return (" **GOR**") royalties. Under the terms of stock purchase agreement, shareholders of IRC received in aggregate US$2,000,000 and 357,121 common shares (valued at $7.70 per share on May 22, 2020). The purchase price allocation for the IRC acquisitions is as follow:

Considerations paid:		
Cash paid	$	2,800,800
Common shares issued		2,749,831
Acquisition costs		236,025
		5,786,656
Net asset acquired		
Cash	$	804
Marketable securities		24,000
IRC NSR interests		5,761,852
	$	5,786,656

The Company acquired the following GOR interests:

Anglo/Zeke

A 0.5% GOR payable by Nevada Gold Mines, a joint venture between Barrick Gold Corporation and Newmont Corporation, on claims located southeast of the Cortez Operations and Goldrush project in Nevada, USA.

Red Hill

A 1.5% GOR payable by NuLegacy Gold Corporation, on claims located southeast of the Cortez Operations and Goldrush project and Anglo/Zeke claim in Nevada, USA.

NuevaUnión acquisition

In February 2020, the Company entered into a purchase agreement, jointly with Nova Royalty Corp. (" **Nova**") (formerly BatteryOne Royalty Corp.), to acquire a 2.0% Net smelter Return ("**NSR**") on future gold production from a portion of the La Fortuna deposit and prospective exploration grounds forming part of the NuevaUnión copper-gold project ("**NuevaUnión**") located in Chile. NuevaUnión is jointly owned by Newmont Corporation and Teck Resources Limited. The aggregate consideration of US$8,000,000 is split between the purchasers, where the Company has agreed to pay 25% or US$2,000,000 in cash and common shares:

- US$750,000 in cash on closing (paid);
- US$250,000 in cash in one year after closing (Note 6); and
- US$500,000 in cash and US$500,000 in common shares upon the achievement of commercial production at the La Fortuna deposit.

During the year ended May 31, 2020, the Company paid $49,518 of acquisition costs of the NuevaUnión NSR.

4. ROYALTY, STREAM, AND OTHER INTERESTS (cont'd…)

Alamos royalty portfolio acquisition

Biricu

In June 2019, the Company issued 2,574 common shares (valued at $4.32 per share on June 20, 2019) for a 2.0% NSR royalty on the Biricu project, in connection to the same purchase and sale agreement dated April 2019.

Orion

In August 2019, the Company and Alamos amended the purchase and sale agreement dated April 2019 to remove one NSR royalty and include the purchase of the Orion NSR royalty for common shares of the Company, which is subject to closing conditions.

During the year ended May 31, 2020, the Company paid $75,220 of acquisition costs.

Tower Mountain acquisition

The Tower Mountain project located in Ontario, Canada was wholly-owned by ValGold Resources Ltd. (" **ValGold**"), who completed an Independent Mineral Resource Estimation report in February 2006 indicating inferred resource of 151,000 ounces in a bulk tonnage model within 7,150,000 tonnes at an average grade of 0.66 grams per tonne gold. In August 2019, the Company entered into an agreement to sell the Tower Mountain project for $150,000 (offset against pre-production royalty payable to the original owner) and a 2.0% NSR royalty interest on the property was retained for the benefit of the Company.

Fifteen Mile Stream acquisition

In August 2019, the Company entered into an agreement to acquire a 3.0% NSR royalty on the western half of the Plenty Zone and Seloam Brook prospect of St. Barbara Ltd.'s ("**St. Barbara**") Fifteen Mile Stream (" **FMS**") project for $2,000,000; $500,000 of which was paid on signing of the agreement and $1,500,000 which is conditional upon the achievement of certain milestones. This acquisition increased the Company's position at the FMS project. The Company incurred $30,067 of acquisition costs.

4. ROYALTY, STREAM, AND OTHER INTERESTS (cont'd…)

During the year ended May 31, 2019, the Company had the following acquisitions:

Alamos royalty portfolio acquisition

In April 2019, the Company entered into a purchase and sale agreement to acquire a portfolio of eighteen NSR royalties and options to acquire NSR royalties from Alamos Gold Inc. and its affiliates (collectively, "**Alamos**") for total consideration of US$8,240,000 payable in common shares of the Company. The Company completed the acquisition and issued 2,054,752 common shares (valued at $4.64 per share on April 16, 2019) and incurred $426,171 of acquisition costs. The aggregate purchase price of $9,960,221 is allocated to each component based on its proportionate fair value within the portfolio of assets acquired. The Company acquired the following key non-current assets:

Wasamac

A 1.5% NSR royalty payable by Monarch Gold Corp. on the claims for the Wasamac gold project located in Quebec, Canada. The NSR royalty is subject to a buy back option where the operator may purchase 0.5% of the NSR for $7.5 million.

El Realito

The Company acquired a 2.0% NSR royalty payable by Agnico Eagle Mines Limited (" **Agnico**") on the claims for the El Realito mineralized system located in Sonora, Mexico. The NSR royalty is subject to a buy back option where the operator may purchase 1.0% of the NSR royalty for US$4,000,000.

La Fortuna option

The Company was granted a two-year option to acquire a 1.0% NSR royalty payable by Minera Alamos Inc. on the La Fortuna project located in Durango, Mexico for US$1,000,000, where an upfront option payment of US$400,000 was paid and an additional US$600,000 due upon the exercising of the option. The upfront option payment made is fully refundable if the Company does not exercise within two years.

Fifteen Mile Stream acquisition

In February 2019, the Company entered into a purchase and sale agreement to acquire a 1.0% NSR royalty on Atlantic Gold Corporation's FMS project for US$4,000,000, which included $2,920,720 or US$2,200,000 in cash and 654,750 common shares (valued at $4.16 per share on February 12, 2019). The Company incurred $53,309 in acquisition costs. This NSR royalty is in connection with two claims which covers the Egerton-Maclean, Hudson, 149 East Zone, and the majority of the Plenty deposit, which collectively comprise the FMS project located in Nova Scotia, Canada. This NSR royalty covers all metals minded or otherwise recovered from the FMS project. Atlantic Gold Corporation was subsequently acquired by St. Barbara.

Aureus East acquisition

In January 2019, the Company acquired a 1.0% NSR royalty for $315,000 in cash on the Aureus East project (formerly known as the Dufferin East project) located in Nova Scotia, Canada, which is operated by Aurelius Minerals Inc.. The Company incurred $24,246 of acquisition costs.

4. ROYALTY, STREAM, AND OTHER INTERESTS (cont'd…)

Cap-Oeste Sur East acquisition

In December 2018, the Company entered into a definitive agreement to acquire a 1.5% NSR royalty for $2,014,065 or US$1,500,000 in cash from Patagonia Gold S.A. ("**Patagonia Gold**"). The Company incurred $79,153 of acquisition costs. This NSR royalty is in connection with certain mining rights located on the Cap-Oeste Sur East (the "**COSE**") property located in the province of Santa Cruz, Argentina and includes a NSR on all products mined or otherwise recovered from the COSE property, which is a gold and silver project that is 100%-owned by Minera Triton Argentina S.A., a wholly-owned subsidiary of Pan American Silver Corp. This agreement also includes a right of first refusal in favour of Metalla to acquire a future NSR royalty that may be granted by, or received by, the Patagonia Gold (or its affiliate) on its Cap-Oeste mine.

Santa Gertrudis acquisitions

In November 2018, the Company closed a purchase and sale agreement to acquire a 2.0% NSR royalty payable by Agnico on the Santa Gertrudis gold property in Sonora, Mexico from GoGold Resources Inc. ("**GoGold**") for $15,108,224 or US$12,000,000. Agnico has a right to repurchase 1% portion of this NSR royalty for US$7,500,000. The Company paid $7,863,540 or US$6,000,000 in cash and GoGold exercised its right to take half of the purchase price in 2,530,769 common shares of the Company (valued at $2.84 per share on November 7, 2018). The Company incurred $63,240 of acquisition costs.

ValGold acquisition

In July 2018, the Company completed its plan of arrangement to acquire all outstanding common shares of ValGold, who held two NSR royalties and an exploration and evaluation project. On the closing date:

- the Company issued 2,414,981 common shares (valued at $3.16 per share on July 31, 2018) in exchange for common shares and in-the-money stock options of ValGold; and
- share purchase warrants of ValGold outstanding remained exercisable to acquire up to 654,207 common shares of the Company at $2.40.

The purchase price allocation for the ValGold acquisitions is as follow:

Considerations paid:		
Common shares issued	$	7,631,342
Reserve for ValGold share purchase warrants		801,345
Acquisition costs		167,157
		8,599,844
Net asset acquired:		
Cash	$	588,533
Trade receivables and other		39,673
ValGold royalty interests		8,217,300
Trade and other payables		(245,662)
	$	8,599,844

4. ROYALTY, STREAM, AND OTHER INTERESTS (cont'd…)

ValGold acquisition (cont'd…)

The share purchase warrants of ValGold outstanding on the closing date remained exercisable for common shares of the Company at $2.40 per share until October 6, 2019. The fair value of these share purchase was estimated at $0.31 per share or $801,345 using the Black-Scholes option pricing model with assumptions as follows: risk-free interest rate of 2.07%, expected annual dividend yield of 2.07%, expected stock price volatility of 73%, expected life of 1.1 years, and forfeiture rate of 0%. The Company acquired the following non-current assets:

Garrison

A 2.0% NSR royalty payable by O3 Mining Inc. on the claims for (a) the Garrcon and Jonpol zones and (b) the eastern portion of the 903 Zone, both within its wholly-owned Garrison Project, which consists of a portfolio of properties along the Destor-Porcupine Fault Zone in Ontario, Canada.

Los Platos

A 1.5% NSR royalty on the Los Platos exploration project located in Venezuela.

5. INVESTMENT IN SILVERBACK

		May 31 2020		May 31 2019
Opening balance	$	2,191,431	$	2,412,873
Income in Silverback for the year		97,905		92,843
Distribution		(311,293)		(314,285)
Ending balance	$	1,978,043	$	2,191,431

The Company, through its wholly-owned subsidiary, holds a 15% interest in Silverback Ltd. (" **Silverback**"), which is a privately held company, whose sole business is the receipt and distribution of the net earnings of the New Luika Gold Mine ("**NLGM**") silver stream. Distributions to the shareholders are completed on an annual basis at minimum. Given the terms of the shareholders' agreement governing the policies over operations and distributions to shareholders, the Company's judgment is that it has significant influence over Silverback, but not control and therefore equity accounting is appropriate. Summarized financial information for the years ended May 31, 2020 and 2019 of Silverback is as follows:

For the year ended		May 31 2020		May 31 2019
Current assets	$	474,105	$	545,114
Non-current assets		3,063,988		4,374,903
Total assets		3,538,093		4,920,017
Total liabilities		(203,217)		(216,535)
Revenue from stream interest		2,152,569		2,092,308
Depletion	$	(1,389,644)	$	(1,365,079)
Net income and comprehensive income for the period		652,700		618,953

6. TRADE AND OTHER PAYABLES

		May 31 2020		May 31 2019
Trade payables and accrued liabilities	$	1,300,582	$	1,126,982
Payable on NuevaUnión acquisition (Note 4)		335,045		-
Lease liability		3,881		-
Taxes payable		209,818		483,480
	$	1,849,326	$	1,610,462

7. LOANS PAYABLE

For the year ended May 31, 2020	Beedie	Other	**Total**
Opening balance	$ -	$ 2,798,975	$ 2,798,975
Additions	7,000,000	-	7,000,000
Allocation of conversion feature	(2,782,318)	-	(2,782,318)
Interest expense	844,425	69,833	914,258
Repayments	(466,667)	(2,799,563)	(3,266,230)
Currency translation adjustments	-	(69,245)	(69,245)
Ending balance	$ 4,595,440	$ -	$ 4,595,440
Less: current portion	-	-	-
Long term portion	$ 4,595,440	$ -	$ 4,595,440

For the year ended May 31, 2019	Coeur debenture	Other	**Total**
Opening balance	$ 8,831,653	$ -	$ 8,831,653
Additions	-	2,633,733	2,633,733
Inducements	-	(182,971)	(182,971)
Interest expense	210,712	278,746	489,458
Repayments	(1,944,775)	-	(1,944,775)
Settlements	(7,199,123)	-	(7,199,123)
Currency translation adjustments	101,533	69,467	171,000
Ending balance	-	2,798,975	2,798,975
Less: current portion	-	2,798,975	2,798,975
Long term portion	$ -	$ -	$ -

In March 2019, the Company entered into a convertible loan facility of $12,000,000 with Beedie Capital (" **Beedie**") to fund acquisitions of new royalties and streams. The facility consists an initial advance of $7,000,000, with the remaining $5,000,000 available for subsequent advances in minimum tranches of $1,250,000. The facility carries an interest rate of 8.0% on amount advanced and 2.5% on standby funds available, with the principal payment due 48 months after the date the financing is completed. At the option of Beedie, principal outstanding can be converted into common shares of the Company at a conversion price of $5.56 per share. In August 2019, the Company drew down the initial advance of $7,000,000, of which $4,217,682 was allocated to the liability portion and the residual value of $2,782,318 was allocated to the conversion feature. The effective interest rate on the liability was 23.5% per annum, with an expected life of four years. For the standby charge on the undrawn portion of the facility and other associated costs, the Company recognized finance charges of $436,137 (2019 - $Nil) in profit or loss for the year ended May 31, 2020.

In October and December 2018, the Company entered into four loan arrangements for aggregate proceeds of $2,623,733 or US$2,000,000, where each has a stated rate of 5% per annum and a term of one year. The Company provided the lenders in aggregate an origination discount of $79,012 or US$60,000 and 150,000 share purchase warrants exercisable at $3.40 per share for two years, valued at $103,959. In August 2019, the principal and interest balance were repaid in full.

7. LOANS PAYABLE (cont'd…)

In July 2017, the Company entered into a convertible debenture agreement for $8,332,041 or US$6,677,476 with Coeur Mining, Inc. ("Coeur"), in connection with the acquisition of certain royalty and stream interests from Coeur, which has a stated rate of 5% per annum payable every six months and a term of ten years. The principal balance of the convertible debenture would automatically be converted into common shares of the Company at the time of future equity financings or future asset acquisitions and enables Coeur to maintain a 19.9% interest in the Company until the outstanding principal balance is either converted in full or otherwise repaid. During the year ended May 31, 2019, the Company issued 2,307,411 common shares, valued at $3.12 or $7,199,123, on conversion of the debenture owed to Coeur.

8. REVENUE

For the year ended		May 31 2020		May 31 2019
Endeavor stream	$	3,520,828	$	7,852,661
COSE royalty		61,716		-
Joaquin royalty		28,557		-
Total revenue	$	3,611,101	$	7,852,661

The Company operates in one industry and has one reportable segment, which is reviewed by the chief operating decision maker. For the year ended May 31, 2020, the Company recognized revenue from three of its NSR and stream assets as shown above.

9. INCOME TAXES

Income tax expense differs from the amount that would result from applying Canadian income tax rates to earnings before income taxes. These differences result from the following items:

For the year ended		May 31 2020		May 31 2019
Loss before income taxes	$	(6,132,721)	$	(2,087,058)
Canadian federal and provincial income tax rates		27.00%		27.00%
Expected income tax expense (recovery) at statutory income tax rate		(1,655,835)		(538,035)
Difference between Canadian and foreign tax rate		(18,518)		(14,573)
Permanent differences		655,814		246,212
Changes in unrecognized deferred tax assets		1,277,153		721,316
Other adjustments		127,751		(58,489)
Total income tax expense	$	386,365	$	356,431
Current income tax expense (recovery)	$	(128,718)	$	408,524
Deferred income tax expense (recovery)	$	515,083	$	(52,093)

9. INCOME TAXES (cont'd…)

The composition of the Company's net deferred income tax asset (liability) that has been recognized is as follows:

Deferred income tax assets (liabilities)	May 31 2020	May 31 2019
Deferred tax assets:		
Mineral expenditures and capital assets	$ 1,548,158	$ 1,519,734
Share issue costs	170,052	182,079
Non-capital losses and others	5,089,446	3,437,319
Unrecognized deferred tax assets	6,807,656	5,139,132
	(6,284,425)	(5,139,132)
Deferred tax liabilities	(1,183,536)	(145,221)
Net deferred income t ax liability	$ (660,305)	$ (145,221)

The Company's significant temporary differences, unused tax credits, and unused tax losses that have not been recognized as deferred income tax assets are as follows:

	May 31 2020	Expiry date range	May 31 2019	Expiry date range
Mineral expenditures and capital assets	$ 5,733,918	No expiry date	$ 5,752,246	No expiry date
Share issue costs	629,923	2022 to 2025	674,367	2022 to 2024
Non-capital losses and other	19,633,365	2026 to 2040	15,487,395	2026 to 2039

Tax attributes are subject to review, and potential adjustments, by tax authorities.

10. SHARE CAPITAL

Authorized share capital consists of an unlimited number of common shares without par value.

Issued share capital

As at May 31, 2020, the Company had 35,114,048 common shares issued and outstanding.

During the year ended May 31, 2020, the Company:

- issued 359,695 common shares for the acquisition of royalty and stream interests;
- issued 959,698 common shares related to the exercise of share purchase warrants; and
- issued 656,408 common shares related to the vesting of RSUs, and the exercise of stock options.

During the year ended May 31, 2019, the Company:

- completed a non-brokered private placement for $6,824,070 by issuing 2,187,202 units at $3.12 per unit. Each unit consisted of one common share and one-half share purchase warrant, where each full warrant is exercisable at $4.68 per share for two years, subject to acceleration if the share price is at or above $6.00 per share for ten consecutive trading days. Under the relative fair value method, the warrants were assigned a fair value of $400,137. The Company paid and/or accrued share issue costs of $442,143 and issued 110,310 underwriter's warrants (valued at $90,769) exercisable at $3.12 per share for two years;

10. SHARE CAPITAL (cont'd…)

Issued share capital (cont'd…)

- issued 7,655,252 common shares for the acquisition of royalty and stream interests;
- issued 2,307,411 common shares on conversion of a Coeur convertible debenture;
- issued 2,042,003 common shares related to the exercise of share purchase warrants; and
- issued 86,833 common shares related to the vesting of RSUs, and the exercise of stock options.

Stock options

The Company has adopted a stock option plan approved by the Company's shareholders. The maximum number of shares that may be reserved for issuance under the plan is limited to 10% of the issued common shares of the Company at any time, less the amount reserved for RSUs. The vesting terms, if any, are determined by the Company's Board of Directors at the time of the grant. The continuity of stock options for the years ended May 31, 2020 and 2019 are as follows:

	Outstanding		Weighted average exercise price
Balance at May 31, 2018	1,442,706	$	1.88
Granted	762,500		3.08
Exercised	(33,333)		1.44
Balance at May 31, 2019	2,171,873	$	2.30
Granted	600,000		7.66
Exercised	(565,603)		1.71
Canceled/Expired	(3,125)		2.32
Balance at May 31, 2020	2,203,145	$	3.91

As at May 31, 2020, the weighted average remaining life of the stock options outstanding was 3.21 (2019 - 3.50) years. The Company's outstanding and exercisable stock options as at May 31, 2020 and their expiry dates are as follows:

Expiry date		Exercise price	Outstanding	Exercisable
Jul 15, 2021	$	0.84	41,666	41,666
Nov 15, 2021		1.20	4,250	4,250
Nov 30, 2021		1.32	116,666	116,666
Mar 06, 2022		2.32	96,875	96,875
Jul 31, 2022		2.16	445,250	445,250
Mar 01, 2023		2.56	243,750	243,750
Sep 17, 2023		2.92	329,688	232,813
Jan 04, 2024		3.24	325,000	137,500
Jan 15, 2025		7.66	600,000	-
Total			2,203,145	1,318,770

10. SHARE CAPITAL (cont'd…)

Share purchase warrants

The continuity of share purchase warrants for the years ended May 31, 2020 and 2019 are as follows:

	Outstanding	Weighted average exercise price
Balance at May 31, 2018	1,972,321	$ 2.56
Issued	2,008,117	3.76
Exercised	(2,042,003)	2.56
Expired/cancelled	(247,542)	2.68
Balance at May 31, 2019	1,690,893	3.95
Exercised	(959,698)	3.62
Balance at May 31, 2020	731,195	$ 4.39

The Company's outstanding share purchase warrants as at May 31, 2020 and their expiry dates are as follows:

Expiry date	Exercise price	Outstanding
Nov 08, 2020	$ 3.40	93,750
Dec 21, 2020	4.68	251,374
Dec 21, 2020	3.12	10,099
Jan 04, 2021	4.68	344,748
Jan 04, 2021	3.12	10,391
Aug 30, 2021	1.80	20,833
Total		731,195

Restricted share units

The Company has adopted an RSU plan approved by the Company's shareholders. The maximum number of RSUs that may be reserved for issuance under the plan is limited to 2% of the issued common shares of the Company updated annually. The vesting terms, if any, are determined by the Company's Board of Directors at the time of issuance. The continuity of RSUs for the years ended May 31, 2020 and 2019 are as follows:

	Outstanding
Balance at May 31, 2018	-
Granted	53,500
Vested	(53,500)
Balance at May 31, 2019	-
Granted	171,805
Vested	(90,805)
Balance at May 31, 2020	81,000

10. SHARE CAPITAL (cont'd…)

Share-based payments

During the year ended May 31, 2020, the Company granted 600,000 (2019 - 762,500) stock options to employees, directors, officers, and consultants of the Company. For the fair value method for share-based payments, the Company determined the fair value of the options granted to be $2,267,491 or $3.78 per option (2019 - $1,132,624 or $1.48). The fair value of the stock options granted was estimated using the Black-Scholes option pricing model with weighted average assumptions as follows:

Weighted average:	May 31 2020	May 31 2019
Risk free interest rate	1.54%	2.05%
Expected dividend yield	0.63%	2.35%
Expected stock price volatility	60%	67%
Expected life in years	5	5
Forfeiture rate	0%	0%

In accordance with the vesting terms of the stock options granted, the Company recorded a charge to share-based payments expense of $1,392,902 (2019 - $917,571) with offsetting credit to reserve for the year ended May 31, 2020.

In accordance with the vesting terms of the RSUs granted, the Company recorded a charge to share-based payments expense of $647,847 (2019 - $166,900) with offsetting credit of $378,394 and $269,453 (2019 - $166,900 and $Nil) to share capital and reserves, respectively, for the year ended May 31, 2020.

11. RELATED PARTY TRANSACTIONS AND BALANCES

The aggregate value of transactions and outstanding balances relating to key management personnel were as follows:

Year ended May 31, 2020	Salary or fees	Share-based payments	**Total**
Management	$ 977,284	$ 484,557	$ 1,461,841
Directors	171,137	1,208,270	1,379,407
	$ 1,148,421	$ 1,692,827	$ 2,841,248

Year ended May 31, 2019	Salary or fees	Share-based payments	**Total**
Management	$ 907,230	$ 386,013	$ 1,293,243
Directors	160,066	517,430	677,496
	$ 1,067,296	$ 903,443	$ 1,970,739

*The services of the Chief Financial Officer ("**CFO**") of the Company are provided through a management services company, Seaboard Services Corp., which bills the Company for various administrative and regulatory services on a monthly basis and included within the monthly amount is the cost of the CFO which is not billed separately. For the year ended May 31, 2020, the Company was billed $174,000 (2019 - $130,500) by the management services company and part of that amount was for the CFO services, such amount is not included in the table above.*

As at May 31, 2020, the Company had $590,357 (2019 - $407,284) due to directors and management related to salary, fees, and/or reimbursements, which have been included in accounts payable and accrued liabilities.

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash investing and financing activities

During the year ended May 31, 2020, the Company:

a) issued 357,121 common shares, valued at $2,749,831, for the acquisition of IRC (Note 4);
b) issued 2,574 common shares, valued at $11,123, for the acquisition of the Alamos NSR (Note 4);
c) recognized $335,045 of accounts payable for the acquisition of NuevaUnión NSR (Note 4);
d) entered into an agreement to sell the Tower Mountain project for $150,000 (offset against pre-production royalty payable to the original owner) and a 2.0% NSR royalty interest on the property (Note 4);
e) issued 90,805 common shares, valued at $378,394, for RSUs that vested;
f) reallocated $908,002 from reserves for 565,603 stock options exercised; and
g) reallocated $656,170 from reserves for 959,698 share purchase warrants exercised.

During the year ended May 31, 2019, the Company:

a) issued 2,530,769 common shares, valued at $7,181,444, for the acquisition of the Santa Gertrudis NSR (Note 4);
b) issued 2,414,981 common shares and reserved 654,207 common shares for outstanding share purchase warrants of ValGold with an aggregate value of $8,432,687, for net assets acquired from ValGold (Note 4);
c) issued 654,750 common shares, valued at $2,717,600, for the acquisition of the FMS NSR (Note 4);
d) issued 2,054,752 common shares, valued at $9,534,050, for the acquisition of the Alamos NSRs, options, and other (Note 4);
e) issued 2,307,411 common shares, valued at $7,199,123, on conversion of the debenture owed to Coeur (Note 7);
f) issued 150,000 share purchase warrants, valued at $103,959, as loan inducements (Note 7);
g) issued 110,310 underwriter's warrants, valued at $90,769, as share issue costs (Note 10);
h) reallocated $1,577,802 from reserves for 2,042,003 share purchase warrants exercised; and
i) reallocated $26,892 from reserves for 33,333 stock options exercised.

13. FINANCIAL INSTRUMENTS

The Company classified its financial instruments as follows:

	May 31 2020	May 31 2019
Financial assets		
Amortized cost:		
Cash	$ 4,695,653	$ 4,603,062
Other receivables	51,099	-
Fair value through profit or loss:		
Royalty and stream receivables	-	129,960
Marketable securities	36,000	-
	$ 4,782,752	$ 4,733,022
Financial liabilities		
Amortized cost:		
Accounts payable and accrued liabilities	$ 1,635,627	$ 1,126,982
Loans payable	4,595,440	2,798,975
	$ 6,231,067	$ 3,925,957

13. FINANCIAL INSTRUMENTS (cont'd…)

Fair value

Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

a) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
b) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
c) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. As at May 31, 2020, the Company did not have any financial instruments measured at fair value.

The carrying value of cash, receivables, and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments. Marketable securities are classified within Level 1 of the fair value hierarchy. Royalty, stream receivable (if any) includes provisional pricing, and final price and assay adjustments and is valued using observable market commodity forward prices and thereby classified within Level 2 of the fair value hierarchy. The fair value of the Company's loans payable is approximated by its carrying value as its interest rates are comparable to market interest rates.

Capital risk management

The Company's objectives when managing capital are to provide shareholder returns through maximization of the profitable growth of the business and to maintain a degree of financial flexibility relevant to the underlying operating and metal price risks while safeguarding the Company's ability to continue as a going concern. The capital of the Company consists of share capital. The Board of Directors does not establish a quantitative return on capital criteria for management. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may issue new shares in order to meet its financial obligations. The management of the Company believes that the capital resources of the Company as at May 31, 2020 are sufficient for its present needs for at least the next twelve months. The Company is not subject to externally imposed capital requirements.

Credit risk

Credit risk arises from cash deposits, as well as credit exposures to counterparties of outstanding receivables and committed transactions. There is no significant concentration of credit risk other than cash deposits. The Company's cash deposits are primarily held with a Canadian chartered bank. Receivables include value added tax due from the Canadian government. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company believes it is not exposed to significant credit risk and overall, the Company's credit risk has not declined from the prior year.

Liquidity risk

The Company strives to maintain sufficient liquidity to meet its short-term business requirements, taking into account its anticipated cash flows from royalty interests, its holdings of cash, and its committed liabilities. The maturities of the Company's non-current liability are disclosed in Note 7. All current liabilities are settled within one year.

13. FINANCIAL INSTRUMENTS (cont'd…)

Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company primarily operates in Canada, Australia, Argentina, and the United States and incurs expenditures in currencies other than Canadian dollars. Thereby, the Company is exposed to foreign exchange risk arising from currency exposure. The Company has not hedged its exposure to currency fluctuations. Based on the above net exposure, as at May 31, 2020, and assuming that all other variables remain constant, a 1% depreciation or appreciation of the Canadian dollar against the US dollar would result in an increase/decrease of approximately $12,000 in the Company's pre-tax income or loss.

14. COMMITMENTS

As at May 31, 2020, the Company had the following contractual obligations:

	Less than 1 year	1 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	$ 1,514,281	$ -	$ -	$ -	$ 1,514,281
Loans payable principal and interest payments	685,000	8,294,932	-	-	8,979,932
Payments related to acquisitions of royalties and streams	335,045	-	-	-	335,045
Other	2,834	-	-	-	2,834
	$ 1,022,879	$ 8,294,932	$ -	$ -	$ 9,317,811

In addition to the commitments above, the Company could in the future have additional commitments payable in cash and/or shares related to the acquisition of royalty and stream interests as disclosed in Note 4. However, these payments are subject to certain triggers or milestone conditions that have not been met as of May 31, 2020.

15. EVENTS AFTER REPORTING DATE

Subsequent to May 31, 2020, the Company entered into the following arrangements:

a) Wharf Acquisition - acquired a net 1.0% NSR royalty on the operating Wharf mine from third parties for total consideration of $1.0 million in cash and 899,201 common shares. Wharf is owned by Coeur;

b) Secondary Offering - completed a public offering of 3,910,000 common shares of the Company previously held by Coeur, at a price of US$5.30 per common share for gross proceeds of US$20.7 million. The net proceeds of the Secondary Offering were paid directly to Coeur;

c) Kirkland Lake/Fosterville Acquisition - entered into an agreement with NuEnergy Gas Limited to acquire an existing 2.5% NSR royalty on the northern and southern portions of Kirkland Lake Gold Ltd.'s operating Fosterville mine for a total consideration of AUD$2.0 million in cash and 467,730 common shares. The transaction is expected to close in October 2020; and

d) Beedie Loan Amendment - completed an amendment of the convertible loan facility with Beedie whereby Beedie will convert $6.0 million of the $7.0 million initial advance, the Company will drawdown the remaining $5.0 million from the original loan facility and Beedie would make an additional $20.0 million available to the Company to fund future acquisitions. Following completion of the amendment, Beedie converted $6.0 million at $5.56 per share for a total of 1,079,136 shares and the Company drew down the remaining $5.0 million with a revised conversion price of $9.90 from the original loan facility. Following the conversion and the additional drawdown the Company has a total of $6.0 million outstanding and $20.0 million available under the amended loan facility.



MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE YEAR ENDED MAY 31, 2020

GENERAL

This management's discussion and analysis (" **MD&A**") for Metalla Royalty & Streaming Ltd. (the " **Company**" or " **Metalla**") is intended to help the reader understand the significant factors that have affected Metalla and its subsidiaries performance and such factors that may affect its future performance. This MD&A, which has been prepared as of August 21, 2020, should be read in conjunction with the Company's consolidated financial statements for the year ended May 31, 2020 and the related notes contained therewith. The Company reports its financial position, financial performance and cash flows in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"). All dollar amounts included in the following MD&A are in Canadian dollars except as otherwise indicated. These documents and other information relevant to the Company's activities are available for viewing on SEDAR at www.sedar.com.

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COMPANY OVERVIEW

Metalla Royalty & Streaming Ltd. ("**Metalla**" or the "**Company**") is a precious metals royalty and streaming company that is focused on acquiring gold and silver metal purchase agreements, Net Smelter Return Royalties ("**NSRs**"), Gross Value Return Royalties ("**GVRs**"), Net Profit Interests ("**NPIs**"), Gross Proceeds Royalties ("**GPRs**"), Gross Overriding Return Royalties ("**GORs**"), and non-operating interests in mining projects that provide the right to the holder of a percentage of the gross revenue from metals produced from the project or a percentage of the gross revenue from metals produced from the project after deducting specified costs, if any, respectively. For purposes of reporting, the Company calculates attributable silver equivalent production by applying its interest (i.e. royalty or stream percentage) to the total production reported by the counterparty and silver equivalency of non-silver products is based on average realized prices of all metals for the period. The Company's common shares are listed on the TSX Venture Exchange ("**TSX-V**") under the symbol "**MTA**" and on the NYSE American ("**NYSE**") under the symbol "**MTA**". The head office and principal address is 501 - 543 Granville Street, Vancouver, British Columbia, Canada.

The Company completed a consolidation of its common shares on the basis of one new share for four old shares (1:4) effective December 17, 2019 and the listing of its common shares on the NYSE effective January 8, 2020. All figures have been adjusted to reflect the one for four share consolidation.

Since March 2020, several measures have been implemented in Canada, Australia, Argentina, Mexico, and in other jurisdictions where we hold royalties and streams in response to the increased impact from the coronavirus ("**COVID-19**"). These measures, which include the implementation of travel bans, self-imposed quarantine periods, social distancing, and in some cases mine closures or suspensions, have caused material disruption to business globally. Global financial markets have experienced significant volatility. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. There are significant uncertainties with respect to future developments and impact to the Company related to the COVID-19 pandemic, including the duration, severity and scope of the outbreak and the measures taken by governments and businesses to contain the pandemic. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impact of COVID-19 on our business operations cannot be reasonably estimated at this time, such as the duration and impact on future production for our partner operators at their respective mining operations. While Metalla expects near-term cash flow on the Company's royalties to be lower than previously anticipated, management believes the Company's balance sheet is more than adequate to sustain its operations for at least the next twelve months. However, a deterioration in the current situation could have an adverse impact on the Company's business, results of operations, financial position and cash flows in the 2021 fiscal year.

COMPANY HIGHLIGHTS

During the year ended May 31, 2020, and the subsequent period, the Company:

- increased the number of royalties and streams held to a total of 50 precious metal assets through the following notable transactions:
  - acquired a 2.0% NSR royalty on future gold production from a portion of the La Fortuna deposit (the " **Cantarito Claim**") and prospective exploration grounds forming part of the NuevaUnión project located in the Huasco Province in the Atacama region of Chile. The NuevaUnión project is jointly owned by Newmont Corporation ("**Newmont**") and Teck Resources Limited (" **Teck**"), and is one of the largest undeveloped copper-gold-molybdenum projects in the world;
  - consolidated its ownership on St. Barbara Ltd.'s (" **St. Barbara**") Fifteen Mile Stream Gold Project (" **FMS**") through the acquisition of a 3.0% net smelter royalty on the Plenty deposit and Seloam Brook prospect for $2.0 million of which $0.5 million in cash was paid upfront;
  - acquired 100% of the issued and outstanding shares of Idaho Resources Corporation (" **IRC**") for US$2.0 million in cash and 357,121 common shares. IRC holds a 0.5% GOR on Nevada Gold Mine's ("**NGM**") Anglo/Zeke claim block in Nevada, which is located on trend to the southeast of the Cortez Operations and Goldrush project. NGM is a joint venture between Barrick Gold Corporation ("**Barrick**") (61.5%) and Newmont (38.5%). IRC also holds a 1.5% GOR covering NuLegacy Gold Corporation's ("**NuLegacy**") Red Hill project in Eureka County, Nevada, which is contiguous to the southeast of the Anglo/Zeke claims. IRC also holds reversionary rights to mineral claims encompassing all of the NGM's Cortez operations;
  - acquired a net 1.0% NSR royalty on the operating Wharf mine (" **Wharf**") in South Dakota from third parties for total consideration of US$1.0 million in cash and 899,201 common shares. Wharf is operated by Coeur Mining Inc. ("**Coeur**"); and
  - entered into an agreement with NuEnergy Gas Limited (" **NuEnergy**") to acquire an existing 2.5% NSR royalty on the northern and southern portions of Kirkland Lake Gold Ltd.'s ("**Kirkland Lake**") operating Fosterville mine ("**Fosterville**") in Queensland, Australia, for a total consideration of AUD$2.0 million in cash and 467,730 common shares. The transaction is expected to close in October 2020.

- recognized revenue on 178,624 (2019 - 431,844) attributable silver ounces (" **oz.**") at an average realized price of US$17.24 (2019 - US$15.33) and average cash cost of US$6.58 (2019 - US$6.27) per oz. (see non-IFRS Financial Measures);

- generated operating cash margin of US$10.66 (2019 - US$9.06) per attributable silver oz. from the Endeavor silver stream, New Luika Gold Mine ("**NLGM**") stream held by Silverback Ltd. (" **Silverback**"), and other royalty interests (see non-IFRS Financial Measures);

- recognized revenue from royalty and stream interests of $3.6 million (2019 - $7.9 million), net loss of $5.8 million (2019 - $2.4 million), and adjusted EBITDA of negative $1.9 million (2019 - positive $2.1 million) (see non-IFRS Financial Measures);

- paid $1.6 million in dividends during the year ended May 31, 2020 (2019 - $1.8 million). No dividends have been paid or declared for the months of June to August due to the impact of COVID-19;

- completed the secondary listing of its common shares on the NYSE and concurrently completed a consolidation of its common shares on the basis of one new share for four old shares (1:4). All shares and per share information has been restated on a retroactive basis to give effect to the share consolidation;

- Coeur completed a secondary public offering of 3,910,000 common shares of the Company previously held by it, at a price of US$5.30 per common share for gross proceeds of US$20.7 million (the "**Secondary Offering**"). The net proceeds of the Secondary Offering were paid directly to Coeur. On June 30, 2020, following the close of the Secondary Offering and the Wharf transaction, Coeur's ownership of the Company's common shares decreased from 14.9% to 2.5%; and

- in August 2019, drew down the initial advance of $7.0 million on its $12.0 million convertible loan facility with Beedie Capital (" **Beedie**") and repaid all other loans payable which had an aggregate principal balance of US$2.0 million; in August 2020, the Company amended the convertible loan facility with Beedie whereby Beedie will convert $6.0 million of the $7.0 million initial advance, the Company will drawdown the remaining $5.0 million from the original loan facility with the conversion repriced from $5.56 to $9.90 and Beedie would make an additional $20.0 million available to the Company to fund future acquisitions. On August 6, 2020, Beedie converted $6.0 million at $5.56 per share for a total of 1,079,136 shares and the company drew down the remaining $5.0 million with a revised conversion price of $9.90 from the original loan facility.

PORTFOLIO OF ROYALTIES AND STREAMS

As at May 31, 2020, the Company owned 48 royalties, streams, and other interests (this number increased to 50 royalties, streams and other interests as at the date of this MD&A). Four of the royalties and streams generated revenue for the Company during the year ended May 31, 2020. Fifteen of the royalties are in the development stage, and the remainder are in the exploration stage. Please see selected updates on the Company's royalty and streaming assets in fiscal 2020:

Notes:

(1) Zn: zinc, Pb: lead, Ag: silver, and Au: gold

(2) See the Company's website at https://www.metallaroyalty.com/ for the complete list and further details

PRODUCING ASSETS

As at May 31, 2020, the Company owned an interest in the following properties that are in the production stage:

Property	Operator	Location	Stage	Metal	Terms
Joaquin Mine	Pan American	Santa Cruz, Argentina	Production	Ag, Au	2.0% NSR
COSE Mine	Pan American	Santa Cruz, Argentina	Production	Ag, Au	1.5% NSR
New Luika Gold Mine	Shanta Gold	Tanzania	Production	Au	15% Ag Stream
Endeavor Mine	CBH Resources	NSW, Australia	Care & Maintenance	Zn, Pb, Ag	100% Ag Stream

COSE & Joaquin Royalties

Metalla received its first royalty payments on Cap-Oeste Sur East (" **COSE**") and Joaquin for production in fiscal 2020. Revenue totaled $90,273 and was related to mainly development ore shipped to the Manantial Espejo plant. Both mines were scheduled to ramp up to commercial production during the first two calendar quarters of 2020 but have been delayed due to COVID-19 mandatory shut down of operations by the Argentina government.

On April 2, 2020, a new decree was issued by the government of Argentina to expand the list of exemptions that will include mining production as essential for the Argentine economy. Although mining production is now permitted again, Pan American Silver Corp. ("**Pan American**") has kept the operations running at a reduced rate for the first half of the calendar year 2020. The impact of these suspensions on mining production levels and resulting cash flow to Metalla is difficult to predict.

Pan American later reported by news release on August 5, 2020, operations at Pan American's COSE & Joaquin mine resumed on May 4, 2020, with high-grade ore being stockpiled on-site. Pan American expects to begin hauling mined ores from COSE and Joaquin to the processing plant in the third quarter of 2020.

Metalla holds an NSR royalty of 1.5% and 2.0% on COSE and Joaquin mines, respectively.

New Luika Silver Stream

Shanta Gold Limited ("**Shanta**") disclosed in their news release on January 16, 2020 that their annual production for 2019 totaled 84.5 thousand oz. of gold, ahead of their guidance of 80-84 thousand oz. for the year at the New Luika Gold Mine ("**NLGM**") located in Tanzania. Shanta also announced that it added 135 thousand oz. of gold reserves to the current mine plan during the year, net of depletion.

For 2020, Shanta has disclosed guidance of 80-85 thousand Au oz. and a 65% increase in its exploration budget to US$5 million over 2019. Shanta has reported its first net cash position in its 2020 second quarter financial statement, completing a period of deleveraging.

Metalla holds a 15% interest in Silverback Ltd. whose sole business is receipt and distribution of a silver stream on NLGM at an ongoing cost of 10% of the spot silver price.

Endeavor Mine Silver Stream

After decades of successful operation, the operator of the Endeavor Mine, located in Cobar, Australia, CBH Resources Limited (" **CBH**") suspended mining operations at the Endeavor Mine in December 2019 and placed it into care and maintenance. The current focus for a potential future resumption of mining is the recent discovery of the Deep Zinc Lode at depth and a potential open pit scenario that was originally outlined in a historic study completed in 2007.

Metalla has the right to buy 100% of the silver production up to 20 million ounces (12.6 million ounces remaining under the contract for delivery) from the Endeavor Mine for an operating cost contribution of US$1.00 per ounce of payable silver, indexed annually for inflation, plus a further increment of 50% of the silver price in excess of US$7.00 per oz.

DEVELOPMENT STAGE ASSETS

As at May 31, 2020, the Company owned an interest in the following properties that are in the development stage:

Property	Operator	Location	Stage	Metal	Terms
Santa Gertrudis	Agnico Eagle	Sonora, Mexico	Development	Au	2.0% NSR(1)
Fifteen Mile Stream ("FMS")	St. Barbara	Halifax, Nova Scotia	Development	Au	1.0% NSR
FMS (Plenty)	St. Barbara	Halifax, Nova Scotia	Development	Au	3.0% NSR
Garrison Mine	O3 Mining	Kirkland Lake, Ontario	Development	Au	2.0% NSR
El Realito	Agnico Eagle	Sonora, Mexico	Development	Ag, Au	2.0% NSR
Hoyle Pond Ext.	Newmont	Timmins, Ontario	Development	Au	2.0% NSR(1)
La Fortuna	Minera Alamos	Durango, Mexico	Development	Au, Ag, Cu	1.0% NSR(2)
Wasamac	Monarch Gold	Val d'Or, Quebec	Development	Au	1.5% NSR
Timmins West Ext.	Pan American	Timmins, Ontario	Development	Au	1.5% NSR(1)
Beaufor Mine	Monarch Gold	Val d'Or, Quebec	Development	Au	1.0% NSR
San Luis	SSR Mining	Peru	Development	Ag, Au	1.0% NSR
Akasaba West	Agnico Eagle	Val d'Or, Quebec	Development	Au, Cu	2.0% NSR(1)
Aureus East Mine	Aurelius Minerals	Halifax, Nova Scotia	Development	Au	1.0% NSR
Zaruma	Titan Minerals	Ecuador	Development	Au	1.5% NSR
NuevaUnión	Newmont and Teck	Chile	Development	Au	2.0% NSR

(1) Subject to partial buy-back and/or exemption
(2) Option to acquire the underlying and/or additional royalty

Santa Gertrudis

The Santa Gertrudis gold property of Agnico Eagle Mines Limited (" **Agnico**") is located approximately 180 kilometres north of Hermosillo in Sonora, Mexico. During the first half of 2020, Agnico continued their US$10.4 Million drill program at Santa Gertrudis with a focus on expanding and testing new targets. In a press release dated July 29, 2020, Agnico announced further expansion of the Amelia deposit, effectively expanding the potential high-grade resource base, and the extension of oxide mineralization at both the Trinidad Trend and Toro Zone. At Amelia, drilling intersected high-grade gold structures below the current underground resource including 6.1 g/t gold and 122 g/t silver over 6.3 metres and 1.9 g/t gold and 5 g/t silver over 10.2 metres. At Espiritu Santo drilling continued to intersect high-grade gold and silver mineralization with notable intercepts of 1.5 g/t gold and 2 g/t silver over 3.7 metres and 2.7 g/t gold and 321 g/t silver (uncapped silver value of 1,101 g/t) over 3.3 metres. Drilling at the El Toro trend tested targets in the upper oxide portions of historical opens pits which will be amenable to heap-leach processing, intersecting 1 g/t gold and 1 g/t silver over 21.3 metres and 2.8 g/t gold and 2 g/t silver over 9.5 metres.

In a press release dated April 30, 2020, Agnico announced it had intersected high-grade gold at Amelia demonstrating the deposit remains open along strike and depth with hole 308 intersecting five high-grade structural commonly found at the bottom of the resource: 3.7 g/t gold over 6 metres, 3.3 g/t gold over 13 metres and 5.3 g/t gold over 10 metres. Beneath the underground resource, three step-out holes intersected high-grade gold of 3.1 g/t over 3.5 metres, 2.8 g/t over 22.5 metres and 3.5g/t over 4 metres, demonstrating the possibility to expand the resource base. At the Espiritu Santo deposit, drilling demonstrated that shallow gold and silver mineralization continues to the south west of the deposit with high grade intercepts such as 3.7 g/t gold and 424 g/t silver over 3 metres and 3.5 g/t gold and 7 g/t silver over 11.5 metres.

On February 13, 2020, Agnico released an updated resource estimate at Santa Gertrudis with its first indicated resource of 104,000 ounces (5.1 million tonnes at 0.64 g/t gold) and an inferred resource of 1.2 million ounces (22.1 million tonnes at 1.64 g/t gold). The resource estimate did not encompass its post-Q4 2019 drilling that extended mineralization along strike, depth and the new discovery at Espiritu Santo.

Through the success of drilling in 2019, Agnico declared an initial inferred resource estimate of 521,000 ounces of gold at Amelia. Agnico expects the year resource estimate for Amelia to increase substantially and to declare the initial resource estimate of Espiritu Santo by year-end 2020.

Agnico's disclosure on its website states that it believes the Santa Gertrudis project has the potential to be a similar size operation to La India which produced over 82Koz of gold in 2019 and is currently evaluating plans to incorporate a heap leach operation for the low-grade ore and a mill for the high-grade underground ore.

Metalla holds a 2.0% NSR on the Santa Gertrudis property.

Fifteen Mile Stream

Fifteen Mile Stream (FMS) is part of St. Barbara Limited's Atlantic Gold Operation and is anticipated to be developed to provide ore to the 2.0 million tonne per year processing facility currently operated by St. Barbara. St. Barbara disclosed in their news release on July 29, 2020, that the Federal Environmental Impact Statement was being revised based on comments received. First Nations consultations and scientific studies are progressing well with another submission anticipated in September 2020. Updates to the reserves and resources are expected on August 24, 2020.

St. Barbara disclosed in their news release on January 22, 2020, they continue to have exploration success at FMS as it continues to enlarge the planned reserve pits and delineate potential satellite pits along trend. At Seloam Brook, 700 metres west of the Plenty deposit, significant mineralization was intercepted suggesting the potential to be a pit extension of the main Fifteen Mile Stream proposed pits. Notable near surface highlights include 1.19 g/t over 6 metres and 2.85 g/t over 3 metres. At the main Hudson and Egerton MacLean zones, shallow high-grade mineralization has been discovered that will aid in connecting the Egerton and Hudson pits. The best result was 3.21 g/t at 6 metres. West of Egerton, St. Barbara intercepted lateral continuity of shallow mineralization 100 metres west of the current resource with a 1.98 g/t over 7 metres. East of Egerton-MacLean and west of 149, the gap continues to be shortened as mineralization was intercepted at 6.84 g/t over 1 metre. At the 149 deposit, drilling continued to confirm the potential for 149 to be a satellite pit for Fifteen Mile Stream. Extensional drilling 60 metres to the east intercepted 0.86 g/t over 56 metres and 1.03 g/t over 16 metres near surface. Drilling to the south of identified a disseminated halo of mineralization extending over 230 metres of strike length with notable hits of 1.41 g/t over 6 metres and 1.39 g/t over 11 metres. 400 metres east of the 149 Deposit, initial results suggest that mineralization may extend into a new zone called 149 extension intercepting 1.31 g/t over 22 metres.

Metalla holds a 1% NSR on the Hudson, Egerton-Maclean, 149 and the majority of the Plenty deposit and a 3% NSR on the remainder of Plenty and Seloam Brook.

El Realito

El Realito is part of Agnico's La India mine project, which is located approximately 200 km east of Hermosillo in Sonora, Mexico. On July 29, 2020, Agnico reported that drilling success at the nearby sulphide target Chipriona warranted a study on processing sulphides originating from Chipriona and beneath other oxide mineral resources within the La India property including El Realito. Drilling in the other half will be focused on investigating gold-sulphide mineralization below the oxide mineral resources at La India.

Agnico reported on July 31, 2020, that on April 2, 2020, the Government of Mexico mandated that all non-essential businesses, including mining and exploration, suspend operations (the "**Decree**"). Pursuant to the Decree, mining and exploration activities at Agnico's Mexican operations and exploration sites (Pinos Altos, Creston Mascota, La India and Santa Gertrudis) ramped down. Given the ore stacked on the leach pads in previous months, residual leaching continued at Creston Mascota and La India during the suspension period. On May 14, 2020, the Government of Mexico designated mining as an essential activity and permitted the full restart of mining and exploration activities. Agnico's mining operations in Mexico resumed some pre-production activities on May 18, 2020 with employees being gradually reintegrated. Operations resumed fully on June 1, 2020.

Agnico reported on February 13, 2020 ongoing drilling success at its El Realito project located adjacent to its operating La India Mine in Sonora, Mexico. The success has resulted in a new probable reserve estimate of 106,000 ounces of gold and 485,000 ounces of silver (4.7 million tonnes at 0.71 g/t gold and 3.24 g/t silver). In addition to the aforementioned reserves, El Realito currently has a measured resource of 21,000 ounces of gold and 149,000 ounces of silver (1.2 million tonnes at 0.55 g/t gold and 3.89 g/t silver), indicated resource of 17,000 ounces of gold and 83,000 ounces of silver (0.7 million tonnes at 0.71 g/t gold and 3.48 g/t silver and an inferred resource of 4,000 ounces of gold and 24,000 ounces of silver (0.3 million tonnes at 0.47 g/t gold and 2.64 g/t silver).

Agnico has budgeted US$3.3 million for 17,000 metres of drilling at La India for 2020.

Metalla holds a 2.0% NSR on the El Realito property.

Hoyle Pond Extension

Metalla owns a 2.0% NSR royalty payable by Newmont on the Hoyle Pond Extension, located on claims that are beneath the Kidd metallurgical complex and immediately adjacent to the east and northeast of the Hoyle Pond mine complex. There is a 500,000 oz. gold exemption on the leased mining rights. As of the end of 2019, approximately 3,560 ounces of gold were produced from Metalla's royalty claims and total reserves of 82,650 tonnes of 12.5 g/t for 33,252 ounces of gold and measured resources of 203,028 tonnes at 14.8 g/t for 96,382 ounces of gold. Drilling is expected to continue in 2020 with a budget of 20,000 metres on the extension.

Wasamac

On May 14, 2020, Monarch Gold Corporation ("**Monarch**") entered into a memorandum of understanding ('**MOU**") with Glencore PLC in connection with the potential use of the Kidd concentrator in Timmins for the treatment of ore to be mined from the Wasamac Gold property. As a result of the MOU, Monarch awarded the concentrator study contract to Ausenco on June 22, 2020. Subsequently, Monarch entered into an MOU with Ontario Northland Railway for the transport of ore from Wasamac to the Kidd concentrator on July 9, 2020.

Metalla holds a 1.5% NSR on the Wasamac project subject to a buy back of 0.5% for $7.5 million.

Beaufor Mine

Monarch has outlined their intentions to re-start underground operations at the Beaufor mine in Val-d'Or, Quebec within 12-18 months. Concurrently, Monarch will begin a drilling program to focus expanding resource blocks with a focus on high-grade zones. On May 7, 2020, Caisse de depot et placement du Quebec invested $5 million into the project to support the potential re-opening of the mine.

Metalla holds a 1.0% NSR on the Beaufor mine once Monarch has produced 100,000 ounces of gold from the property.

San Luis

On February 20, 2020, SSR Mining Inc. ("**SSR**") declared that they plan to initiate a detailed mapping program in 2020 at the San Luis project located in Peru. The mapping program will focus on the land near the mineral resources on the project to potentially expand the mineral resource on the project.

Metalla holds a 1% NSR on the San Luis project.

Aureus East

On July 17, 2020, Aurelius Minerals Inc. announced the closing of their $4.4 million equity financing. The proceeds of the financing will be used to define resources, refine into reserves and reengineer a mine plan for the Aureus mine. On August 5, 2020, Aurelius announced the discovery of 2,700 metres of unsampled drill core from the Aureus East and Aureus West projects following historical drill programs completed by the previous operator.

Metalla holds a 1.0% NSR on the Aureus East mine

Zaruma

Titan Minerals Ltd. ("**Titan**") announced by news release on January 14, 2020, they have been successful in their offer to purchase all of the issued and outstanding common shares of Core Gold, the owner of the Zaruma mine in Ecuador. On May 25, 2020, Titan stated publicly that they plan on a potential sale of Zaruma and are evaluating options in calendar year 2020.

Metalla holds a 1.5% NSR on the Zaruma mine.

NuevaUnión

Shortly after announcing our acquisition of a gold royalty on NuevaUnión by press release on February 18, 2020, Newmont and Teck, who jointly operate the project, filed an environmental impact statement for the project with the Chilean authorities. The filing involves a planned expenditure of US$152 million for drilling and other work intended to form the basis for development of a mining plan.

Metalla holds a 2.0% gold NSR on a portion of the NuevaUnión project.

EXPLORATION STAGE ASSETS

As at May 31, 2020, the Company owned a large portfolio of exploration stage assets including:

Property	Operator	Location	Stage	Metal	Terms
Kirkland-Hudson	Kirkland Lake Gold	Kirkland Lake, Ontario	Exploration	Au	2.0% NSR
Grenfell	Pelangio Exp.	Kirkland Lake, Ontario	Exploration	Au	0.25% NSR
Mirado Mine	Orefinders	Kirkland Lake, Ontario	Exploration	Au	1.0% NSR(1)
Goodfish Kirana	Warrior Gold	Kirkland Lake, Ontario	Exploration	Au	1.0% NSR
DeSantis Mine	Canadian Gold Miner	Timmins, Ontario	Exploration	Au	1.5% NSR
Bint Property	Glencore	Timmins, Ontario	Exploration	Au	2.0% NSR
Colbert/Anglo	Goldcorp	Timmins, Ontario	Exploration	Au	2.0% NSR
Montclerg	IEP	Timmins, Ontario	Exploration	Au	1.0% NSR
Pelangio Poirier	Pelangio Exp.	Timmins, Ontario	Exploration	Au	1.0% NSR
Beaudoin	Explor Resources	Timmins, Ontario	Exploration	Au, Ag	0.4% NSR
TVZ Zone	Newmont	Timmins, Ontario	Exploration	Au	2.0% NSR
Tower Mountain	Private	Thunder Bay, Ontario	Exploration	Au	2.0% NSR
Solomon's Pillar	Private	Greenstone, Ontario	Exploration	Au	1.0% NSR
Edwards Mine	Trillium Mining	Wawa, Ontario	Exploration	Au	1.25% NSR
Big Island	Copper Reef	Flin Flon, Manitoba	Exploration	Au	2.0% NSR
Camflo Northwest	Monarch Gold	Val d'Or, Quebec	Exploration	Au	1.0% NSR
DNA	Detour Gold	Cochrane, Canada	Exploration	Au	2.0% NSR
Boulevard	Independence Gold	Dawson Range, Yukon	Exploration	Au	1.0% NSR
Anglo/Zeke	Nevada Gold Mine	Nevada, USA	Exploration	Au	0.5% GOR
Red Hill	NuLegacy Gold Corp.	Nevada, USA	Exploration	Au	1.5% GOR
Orion	Minera Frisco	Nayarit, Mexico	Exploration	Au, Ag	2.75% NSR(3)
Biricu	Minaurum Gold	Guerrero, Mexico	Exploration	Au, Ag	2.0% NSR
Pucarana	Buenaventura	Peru	Exploration	Au, Ag	1.8% NSR(1)
Capricho	Pucara	Peru	Exploration	Au, Ag	1.0% NSR
Lourdes	Pucara	Peru	Exploration	Au	1.0% NSR
Santo Tomas	Pucara	Peru	Exploration	Au	1.0% NSR
Guadalupe/Pararin	Pucara	Peru	Exploration	Au	1.0% NSR
Puchildiza	Metalla	Chile	Exploration	Au	1.5% NSR(2)
Los Patos	Private	Venezuela	Exploration	Au	1.5% NSR

(1) Option to acquire the underlying and/or additional royalty
(2) Option available
(3) Subject to closing conditions

Below are updates during the year ended May 31, 2020 to certain of our exploration assets:

Anglo/Zeke

In Q1 2020, Nevada Gold Mines completed a step out drill program east of the Goldrush deposit in Nevada to build a geological framework critical to identifying concealed targets. In Q2 2020, it was reported that all three step-out holes intersected anomalous Carlin-type geochemistry. One hole returned 4 metres at 1.2 g/t Au in a structural zone above favorable host rock, Barrick, the operator of the Nevada Gold Mines joint venture, has stated this hole warrants follow-up drilling down dip where geologic interpretation suggests it could cut more favorable reactive carbonate rocks. Other observations from drilling include overthickened sections of favorable carbonate host rocks and metasomatism which is an important marker as the best deposits in the Cortez camp are found near metasomatic fronts.

Metalla holds a 0.5% royalty on the Anglo-Zeke claim block.

Red Hill

NuLegacy has continued to progress in the expansion of its plan of operation required to effectively drill the Rift Anticline target at its Red Hill project. NuLegacy has completed a preliminary structural model for the Rift Anticline by utilizing recent drill hole data and geophysical surveying completed over the Rift Anticline. Hole WS19-02 on the eastern flank of the Rift Anticline returned a high-grade interval grading 9.6 grams/ton gold over 5.2 meters. NuLegacy plans to drill three to five deep holes in the most developed northern targets in the Rift Anticline in fall 2020 and a further 11-13 holes are planned in the spring of 2021.

In May of 2020, NuLegacy announced the appointment of Dr. Quinton Hennigh as an advisor to the company and subsequently arranged a private placement of $5.625 to carry out an expanded exploration program on the Rift Anticline of 14-16 planned core holes.

Metalla holds a 1.5% royalty on the Red Hill project.

Goodfish-Kirana

Warrior Gold Inc. ("**Warrior**") advises that it continues to intersect high-grade gold at the "A" Zone, Goodfish-Kirana property in Kirkland Lake, Ontario. Mineralization in the main zone has been extended by 100 m to the east and 50 m to the west for a total strike length of 300 m and vertical depth of 225 m. Notable intercepts in the drill program include 11.52 g/t gold over 3 metres and 11.25 g/t gold over 1.5 m in the newly discovered south footwall of "A" zone which appears to be a subparallel zone to the main zone 50 metres to the south.

Metalla holds a 1% NSR Royalty on the "A" Zone Goodfish-Kirana property.

Lourdes

On March 10, 2020, Pucara Resources Corporation ("**Pucara**") outlined their intentions to merge with Magnitude Mining Ltd. Concurrently, Pucara will raise gross proceeds of $3.5 million upon listing on the TSX-V. Proceeds of the raise will be used on exploration activities on the Lourdes property in Ayacucho, Peru. Field work has outlined four potential targets on the property associated with Au-Cu-Mo anomalies, a two-phase drill program testing nine drill targets has been recommended.

Metalla holds a 1% NSR on the Lourdes property.

Camflo

On June 18, 2020, Monarch disclosed they began undertaking a vast, detailed compilation and 3D modelling program on its Camflo property. Historically, 1.65 million ounces of gold was mined from the mine by Camflo Mines and later Barrick Gold. More modern 3D modelling and exploration techniques will be employed to generate targets for exploration on the property.

Metalla holds a 1.0% NSR on the Camflo mine.

Big Island

On April 20, 2020, Copper Reef Mining reported high grade infill results at their Big Island property testing the Tara Massive Sulphide Zone. The significant intercept of the drill program at Big Island returned 15.28 metres at 21.1% zinc, 0.99% copper, 142.4 g/t silver and 5.45 g/t gold. On July 20, 2020, Copper Reef Mining raised $1.23 million through a private placement to fund exploration at its properties.

Metalla holds a 2.0% NSR on the Big Island property.

Grenfell

On March 1, 2020, Pelangio Exploration announced in their news release high-grade drill results at their Grenfell property, located near Kirkland Lake Gold's Macassa Mine, Ontario. Notable intercepts include 1.32 g/t gold over 26 meters including 314 g/t gold over 1.74 meters and 2.5 g/t gold over 26 meters. A summer 2020 exploration plan is planned to further evaluate the discovery and new targets in the area once a creek crossing permit is granted.

Metalla holds a 0.25% royalty on the Grenfell property.

Production and Sales from Royalties and Streams

The following table summarizes the Company's attributable silver ounces produced and sold for the three months ended May 31, 2020 ("**Q4 2020**") and 2019 ("**Q4 2019**"), and the years ended May 31, 2020 ("**FYE 2020**") and 2019 ("**FYE 2019**"), respectively:

	Q4 2020	Q4 2019	FYE 2020	FYE 2019
Attributable silver oz. from prior period	**-**	77,272	**59,515**	90,476
Production and adjustments during the period				
Endeavor Silver Stream[3]	**-**	29,681	**98,015**	383,325
NLGM[1]	**4,389**	4,389	**17,556**	17,558
Other	**501**	-	**3,538**	-
Total attributable silver oz. produced	**4,890**	111,342	**178,624**	491,359
Total attributable silver oz. sold	**(4,890)**	(51,827)	**(178,624)**	(431,844)
Remaining attributable silver oz.[2]	**-**	59,515	**-**	59,515

(1) Adjusted for the Company's proportionate share of NLGM held by Silverback.

(2) Represents attributable silver oz. that were produced and to be realized by the operator(s) in subsequent periods after the reporting date.

(3) Includes final adjustments on production of prior periods.

Material Properties Update

During the year ended May 31, 2020, the Endeavor Mine has gone on care and maintenance and did not have any further new shipments during the fourth quarter of the 2020 fiscal year. Accordingly, the Company's revenues for the fourth quarter included minimal revenue from the final settlement on concentrate shipment delivered previously during the third quarter of the 2020 fiscal year. As such, the stream interest in the Endeavor Mine is no longer a material mineral property for the Company. NLGM production remains consistent, and the Company's primary revenue sources are expected to transition in the 2021 fiscal year as Joaquin and COSE move toward commercial production and the addition of the subsequently acquired royalty on the producing Wharf mine.

CORPORATE UPDATE

Effective January 16, 2020, the Company has appointed Mr. Terry Krepiakevich to the board of directors as an independent director. Mr. Krepiakevich is currently a member of the board of directors of several publicly listed and private companies, including as Chair of the Audit Committee for Alexco Resource Corp., a TSX-listed and NYSE American-listed mineral resources company since July 2009, and a director of Kaizen Discovery Resource Corp.

OUTLOOK

Primary revenue sources for the second half of calendar 2020 are expected to be Wharf (acquired subsequent to fiscal year end), Joaquin, COSE, and NLGM. Joaquin and COSE are expected to move toward commercial production with operations resuming in the third quarter of 2020. The Endeavor Mine, which was placed on care and maintenance in January 2020 has received all final settlements on delivered concentrate. The Company is no longer providing reliable guidance for fiscal 2021 due to the spread of the COVID-19 pandemic and its effect on global mining production levels during calendar year 2020.

SELECTED ANNUAL INFORMATION

The following table provides selected financial information for the three most recently completed financial years:

	Year ended May 31,		
	2020	**2019**	**2018**
Revenue from royalty and stream interests	**$ 3,611,101**	$ 7,852,661	$ 7,368,331
Gross profit	**1,318,854**	2,437,772	745,732
Net loss	**5,767,860**	2,443,489	2,561,756
Loss per share - basic and diluted	**0.17**	0.10	0.16
Total assets	**69,780,677**	63,724,052	24,641,614
Total non-current liabilities	**5,255,745**	145,221	8,849,987
Dividends declared per share	**0. 048**	0.071	0.004

SUMMARY OF QUARTERLY RESULTS

The following table provides selected financial information for the eight most recently completed financial quarters up to May 31, 2020:

	Q4 2020	**Q3 2020**	**Q2 2020**	**Q1 2020**
Revenue from royalty and stream interests	$ 49,047	$ 1,264,175	$ 2,137,581	$ 160,298
Net loss	1,416,936	2,081,232	1,054,540	1,215,152
Dividends declared and paid	413,079	407,423	403,946	399,094
Loss per share - basic and diluted	0.04	0.06	0.03	0.04
Weighted average shares outstanding – basic	34,496,399	34,033,219	33,699,105	33,322,501

	Q4 2019	**Q3 2019**	**Q2 2019**	**Q1 2019**
Revenue from royalty and stream interests	$ 887,214	$ 1,442,006	$ 1,623,140	$ 3,900,301
Net loss	1,188,405	446,105	496,948	312,031
Dividends declared and paid	565,602	492,648	401,314	354,174
Loss per share - basic and diluted	0.04	0.02	0.02	0.02
Weighted average shares outstanding – basic	31,856,771	27,982,205	23,174,721	19,827,849

Changes in revenues, net income (loss), and cash flows on a quarter-by-quarter basis are affected primarily by changes in production levels and the related commodity prices at producing mines, acquisitions of royalties and streams, as well as the commencement or cessation of mining operations at mines the Company has under royalty and stream agreements.

A summary of material changes impacting the Company's quarterly results are discussed below:

- For Q4 2020, revenue decreased compared to Q3 2020, due to the Endeavor Mine being put on care and maintenance leading to a significant decrease in attributable silver oz. production and significantly lower production from Joaquin and COSE due to mandated government shutdowns related to the COVID-19 pandemic.
- For Q3 2020, revenue decreased compared to Q2 2020, due to a decrease in attributable silver oz. delivered and sold at the Endeavor Mine. The decrease from the Endeavor mine was offset partially in the period as the Company received its first NSR payments from COSE and Joaquin NSR interests.
- For Q2 2020, revenue increased significantly compared to Q1 2020 and Q4 2019 as delivery delays encountered at the smelter at Endeavour Mine in Q1 2020 and Q4 2019 were resolved and a significant amount of attributable silver oz. was delivered and sold at the Endeavor Mine. The delays at Endeavour Mine contributed directly to the decrease in revenue in Q1 2020 and Q4 2019 compared to prior periods.

RESULTS OF OPERATIONS

Three Months Ended May 31, 2020

The Company's net loss totaled $1.4 million for Q4 2020 compared with a net loss of $1.2 million for Q4 2019.

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

- a decrease in revenue from royalties and streams from $0.9 million in Q4 2019 to $0.1 million in Q4 2020, this decrease was driven by the suspension of operations at the Endeavor mine and a slower than expected startup at Joaquin and COSE due to COVID-19 related restrictions;
- an increase in general and administrative expenses from $1.1 million in Q4 2019 to $1.7 million in Q4 2020, this increase was driven by an increased transaction activity at the Company as it continues to expand its portfolio of royalty and streams, and other direct and indirect incremental costs associated with the NYSE listing;
- an increase in share-based payments from $0.2 million in Q4 2019 to $0.3 million in Q4 2020, this increase was related to the vesting of previously granted restricted share units ("**RSUs**") and stock options; and
- an increase in deferred income tax recovery from $0.2 million in Q4 2019 to $0.8 million in Q4 2020, this increase was related primarily to the recognition of the taxable temporary difference from the equity portion of the convertible loan.

Year Ended May 31, 2020

The Company's net loss totaled $5.8 million for the FYE 2020 compared with a net loss of $2.4 million FYE 2019.

Signification items impacting the increase in net loss include the following:

- a decrease in revenue from royalties and streams from $7.9 million in FYE 2019 to $3.6 million in FYE 2020, and a decrease in gross profit from $2.4 million in FYE 2019 to $1.3 million in FYE 2020, these decreases were due to a decrease in attributable silver oz. sold which was 431,844 oz. in FYE 2019 compared with 178,624 in FYE 2020;
- an increase in general and administrative expenses from $2.8 million in FYE 2019 to $4.3 million in FYE 2020, this increase was driven primarily by the Company's listing of its common shares on the NYSE American, LLC and increased transaction activity at the Company as it continues to expand its portfolio of royalties and streams;
- an increase in share-based payments from $1.1 million in FYE 2019 to $2.0 million in FYE 2020, this increase was related to the vesting of previously granted RSUs and stock options;
- an increase in interest expense from $0.5 million in FYE 2019 to $0.9 million in FYE 2020, this increase was related to the higher debt levels in FYE 2020 as compared to FYE 2019 and higher interest rates being incurred on that debt; and
- an increase in finance charges from $Nil in FYE 2019 to $0.4 million in FYE 2020, this increase was related to the standby charge on the undrawn portion and other associated costs on the convertible loan facility entered into in March 2019.

LIQUIDITY AND CAPITAL RESOURCES

The Company considers items included in shareholders' equity as capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company's cash balance as at May 31, 2020 was $4.7 million (2019 - $4.6 million) and its working capital was $3.4 million (2019 - $0.9 million). The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company believes it has sufficient working capital to undertake its current business plan for the foreseeable future. However, should the Company undertake anything over and above these plans, management will need additional sources of working capital. In order to maintain or adjust the capital structure, the Company may issue new shares through public and/or private placements, enter into debt agreements, sell assets, or return capital to shareholders.

During the year ended May 31, 2020, cash increased by $0.1 million. The increase was due to net cash provided by financing activities of $6.1 million, partially offset by net cash used in operating and investing activities of $1.6 million and $4.5 million, respectively. Exchange rate changes had a minimal impact on cash of less than $0.1 million.

Debt

In March 2019, the Company entered into a convertible loan facility (the " **Loan Facility**") of $12.0 million with Beedie to fund acquisitions of new royalties and streams. The Loan Facility consisted of an initial advance of $7.0 million, with the remaining $5.0 million available for subsequent advances in minimum tranches of $1.25 million. The Loan Facility carried an interest rate of 8.0% on amount advanced and 2.5% on standby funds available, with the principal payment due April 21, 2023. At the option of Beedie, principal outstanding can be converted into common shares of the Company at a conversion price of $5.56 per share.

In August 2019, the Company drew down the initial advance of $7.0 million of which $4.2 million was allocated to the liability portion and the residual value of $2.8 million was allocated to the conversion feature. The effective interest rate on the liability portion was 23.5% per annum, with an expected life of four years. For the year ended May 31, 2020, the Company recorded $0.8 million in interest expense, and $0.4 million in standby charges and associated costs related to the convertible loan facility.

In July 2020, the Company announced it had entered into an amendment with Beedie on its Loan Facility (the " **Loan Amendment**"). As part of the Loan Amendment the following items of the Loan Facility were amended:

- Beedie has agreed to convert $6.0 million of the $7.0 million drawn down on the Loan Facility in 2019 at a conversion price of $5.56 per share (the "**Conversion**"), in accordance with the conversion rights in accordance with the Loan Facility. The remaining $1.0 million will be subject to conversion in accordance with the Loan Amendment;
- the remaining undrawn $5.0 million available from the Loan Facility will be drawn by the Company concurrent with the Conversion and the conversion price for this drawn $5.0 million will be repriced from $5.56 to $9.90 per share;
- the Loan Facility will be increased by an aggregate $20.0 million. All future advances from the additional $20.0 million will have a minimum amount of $2.5 million and each advance will have its own conversion price based on a 20% premium to the 30-day Volume Weighted Average Price ("**VWAP**") of the Company's shares on the date of such advance;
- if for a period of 30 consecutive trading days the 30-day VWAP is at a 50% premium above any or all of the conversion prices, the Company may elect to convert the principal amount outstanding under the Loan Facility at the respective conversion prices;
- the standby fee on all undrawn funds available under the Loan Facility will bear an interest rate of 1.5% (previously 2.5%), the interest rate on all drawn funds will remain unchanged at 8.0%;
- the maturity date remains unchanged with principal payment due April 21, 2023.

The Loan Amendment was completed on August 6, 2020, and on that date Beedie converted $6.0 million into 1,079,136 common shares of the Company and the Company drew down $5.0 million available from the Loan Facility. Following this conversion and draw down, the Company has $6.0 million outstanding under the Loan Facility and has $20.0 million available under the Loan Facility.

Cash Flows from Operating Activities

During the year ended May 31, 2020, cash used in operating activities was $1.6 million and was primarily the result of a net loss of $5.8 million, partially offset by $4.0 million for items not affecting cash, and by $0.2 million in non-cash working capital items. During the year ended May 31, 2019, net cash generated in operating activities was $2.3 million and was primarily as a result of a net loss of $2.4 million, offset by $4.0 million for items not affecting cash and $0.7 million in non-cash working capital items.

Cash Flows from Investing activities

During the year ended May 31, 2020, cash used in the Company's investing activities was $4.5 million and was primarily related to the acquisition of royalties and streams. During the year ended May 31, 2019, cash used in the Company's investing activities was $13.0 million and was primarily related to the acquisition of royalties and streams.

Cash Flows from Financing activities

During the year ended May 31, 2020, cash provided by the Company's financing activities was $6.1 million, which was primarily comprised of the drawdown of $7.0 million from the Loan Facility, $4.4 million from the exercise of share purchase warrants and stock options, partially offset by $2.7 million of principal loan repayments, $1.6 million of dividend payments, $0.4 million of finance charges, and $0.6 million of interest payments. During the year ended May 31, 2019, cash provided by the Company's financing activities was $10.5 million, which was primarily comprised of private placements of $6.4 million, $5.3 million from the exercise of share purchase warrants and stock options, loan drawdowns of $2.6 million, partially offset by $1.6 million of principal loan repayments, $1.8 million of dividend payments, and $0.4 million of interest payments.

Dividends

The Company's dividend policy is to pay out a target rate of 50% of the operating cash flow of the Company. While the Company has paid monthly dividends to holders of its common shares for each quarter during the financial year ended May 31, 2020, the Company has not declared or paid dividends for the months of June through August 2020 and has not, as of the date of this MD&A, approved any additional payments of dividends. Going forward, the board of directors of the Company will continue to monitor the impact of the COVID-19 pandemic and assess the Company's ability to pay dividends in respect of a particular quarter during its financial year.

Requirement of additional financing

Management believes that the Company's current operational requirements and capital projects can be funded from existing cash and cash generated from operations. If future circumstances dictate an increased cash requirement and we elect not to delay, limit, or eliminate some of our plans, we may raise additional funds through debt financing, the issuance of hybrid debt-equity securities, or additional equity securities. The Company has relied on equity financings and loans for its acquisitions, capital expansions, and operations. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. The Company's growth and success may be dependent on external sources of financing which may not be available on acceptable terms.

TRANSACTIONS WITH RELATED PARTIES

The aggregate value of transactions and outstanding balances relating to key management personnel were as follows:

Key management compensation for the Company consists of remuneration paid to management (which includes the Chief Executive Officer and Chief Financial Officer) for services rendered and compensation for members of the Board of Directors in their capacity as directors of the Company. During the year ended May 31, 2020, the Company's key management compensation was as follows:

Year ended May 31, 2020	Salary or fees	Share- based Payments	Total
Management[(1)]	$ 977,284	$ 484,557	**$ 1,461,841**
Directors	171,137	1,208,270	**1,379,407**
	$ 1,148,421	$ 1,692,827	**$ 2,841,248**

*(1)The services of the Chief Financial Officer ("**CFO**") of the Company are provided through a management services company, Seaboard Services Corp., which bills the Company for various administrative and regulatory services on a monthly basis and included within the monthly amount is the cost of the CFO which is not billed separately. For the year ended May 31, 2020, the Company was billed $174,000 by the management services company and part of that amount was for the CFO services, such amount is not included in the table above.*

As at May 31, 2020, the Company had $0.6 million (2019 - $0.4 million) due to directors and management related to remuneration and expense reimbursements, which have been included in accounts payable and accrued liabilities.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

PROPOSED TRANSACTIONS

While the Company continues to pursue further transactions, there are no binding transactions of a material nature that have not already been disclosed publicly.

COMMITMENTS

As at May 31, 2020, the Company had the following contractual obligations:

	Less than 1 year	1 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	$ 1,514,281	$ -	$ -	$ -	$ 1,514,281
Loans payable principal and interest payments	685,000	8,294,932	-	-	8,979,932
Payments related to acquisitions of royalties and streams	335,045	-	-	-	335,045
Other	2,834	-	-	-	2,834
	$ 2,537,160	$ 8,294,932	$ -	$ -	$ 10,832,092

In addition to the commitments above, the Company could in the future have additional commitments payable in cash and/or shares related to the acquisition of royalty and stream interests as disclosed in Note 4 of the Company's consolidated financial statements for the year ended May 31, 2020. However, these payments are subject to certain triggers or milestone conditions that had not been met as of May 31, 2020.

FINANCIAL INSTRUMENTS

Classification

The Company classified its financial instruments as follows:

		May 31 2020		May 31 2019
Financial assets				
Amortized cost:				
Cash	$	4,695,653	$	4,603,062
Other receivables		51,099		-
Fair value through profit or loss:				
Royalty and stream receivables		-		129,960
Marketable securities		36,000		-
	$	4,782,752	$	4,733,022
Financial liabilities				
Amortized cost:				
Accounts payable and accrued liabilities	$	1,635,627	$	1,126,982
Loans payable		4,595,440		2,798,975
	$	6,231,067	$	3,925,957

Fair value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
- Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The carrying value of cash, receivables, and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments. Marketable securities are classified with Level 1 of the fair value hierarchy. Royalty, stream receivable (if any) includes provisional pricing, and final price and assay adjustments and is valued using observable market commodity forward prices and thereby classified within Level 2 of the fair value hierarchy. The fair value of the Company's loans payable is approximated by its carrying value as its interest rates are comparable to market interest rates.

The Company's activities expose it to financial risks of varying degrees of significance which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risks to which the Company is exposed are credit risk and liquidity risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

Credit risk

Credit risk arises from cash deposits, as well as credit exposures to counterparties of outstanding receivables and committed transactions. There is no significant concentration of credit risk other than cash deposits. The Company's cash deposits are primarily held with a Canadian chartered bank. Receivables include value added tax due from the Canadian government. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company believes it is not exposed to significant credit risk and overall, the Company's credit risk has not declined significantly from the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuing to monitor forecasted and actual cash flows. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its development plans. The Company strives to maintain sufficient liquidity to meet its short-term business requirements, taking into account its anticipated cash flows from royalty interests, its holdings of cash, and its committed liabilities. The maturities of the Company's non-current liability are disclosed in Note 7 in the Company's consolidated financial statements for the year ended May 31, 2020. All current liabilities are settled within one year.

Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company primarily operates in Canada, Australia, Argentina, and the United States and incurs expenditures in currencies other than the Canadian dollars. Thereby, the Company is exposed to foreign exchange risk arising from currency exposure. The Company has not hedged its exposure to currency fluctuations. Based on the above net exposure, as at May 31, 2020, and assuming that all other variables remain constant, a 1% depreciation or appreciation of the Canadian dollar against the US dollar would result in an increase/decrease of less than $0.1 million in the Company's pre-tax income or loss.

NON-IFRS FINANCIAL MEASURES

The Company has included, throughout this document, certain performance measures, including (a) average cash cost of silver per attributable ounce, (b) average realized silver price per attributable ounce, and (c) adjusted EBITDA. The presentation of these 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.

Average cash cost per attributable ounce

Average cash cost per attributable ounce is calculated by dividing the Company's total cash cost of sales, excluding depletion by the number of attributable silver ounces sold. The Company presents average cash cost per ounce as it believes that certain investors use this information to evaluate the Company's performance in comparison to other streaming companies in the precious metals mining industry who present results on a similar basis.

		Q4 2020		Q4 2019		FYE 2020		FYE 2019
Cost of sales, excluding Depletion	**$**	**34,923**		355,050	**$**	**1,380,820**	$	2,998,947
Cost of sales for NLGM [(1)]		**3,961**		9,430		**35,382**		34,085
Adjust for:								
Refining charge		**-**		49,097		**158,255**		549,521
Total cash cost of sales		**38,884**		413,577		**1,574,457**		3,582,553
Total attributable silver oz. sold [(2)]		**4,890**		51,827		**178,624**		431,844
Average cash cost of silver per attributable oz .	**$**	**7. 95**	$	7.98	**$**	**8. 81**	$	8.30
Average cash cost of silver per attributable oz . [(3)]	**US$**	**5. 69**	US$	US$ 5.86	**US$**	**6. 58**	US$	6.27

(1) Adjusted for the Company's proportionate share of NLGM held by Silverback.

(2) Payable silver ounces attributable to the Company that were shipped and provisionally invoiced during the period.

(3) Canadian dollar amounts were translated to US dollars using the average exchange rates for the relevant period.

Average realized silver price per attributable ounce

Average realized silver price per attributable ounce is calculated by dividing the Company's sales by the number of attributable silver ounces sold. The Company presents average realized silver price per attributable ounce as it believes that certain investors use this information to evaluate the Company's performance in comparison to other streaming companies in the precious metals mining industry that present results on a similar basis.

		Q4 2020		Q4 2019		FYE 2020		FYE 2019
Sales from stream interests	**$**	**22,976**	$	887,214	**$**	**3,520,828**	$	7,852,661
Royalty revenue		**26,071**		-		**90,273**		-
Revenue from NLGM[(1)]		**39,730**		94,301		**353,814**		340,850
Adjust for:								
Refining charge		**-**		49,754		**158,255**		549,521
Sales from stream and royalty interests		**88,777**		1,031,269		**4,123,170**		8,743,032
Total attributable silver oz. sold		**4,890**		51,827		**178,624**		431,844
Average realized silver price per attributable oz .	**$**	**18. 15**	$	19.90	**$**	**23. 08**	$	20.25
Average realized silver price per attributable oz . [(3)]	**US$**	**12. 98**	US$	15.22	**US$**	**17. 24**	US$	15.33
Operating cash margin per attributable oz [(2)]	**$**	**10. 20**	$	11.92	**$**	**14. 27**	$	11.95
Operating cash margin per attributable oz [(3)]	**US$**	**7. 29**	US$	9.36	**US$**	**10. 66**	US	$ 9.06

(1) Adjusted for the Company's proportionate share of NLGM held by Silverback.

(2) Operating cash margin is calculated based on average realized price and average cash cost.

(3) Canadian dollar amounts were translated to US dollars using the average exchange rates for the relevant period.

Adjusted EBITDA

Management uses Adjusted EBITDA to evaluate the Company's operating performance, to plan and forecast its operations, and assess leverage levels and liquidity measures. The Company presents Adjusted EBITDA as it believes that certain investors use this information to evaluate the Company's performance in comparison to other streaming companies in the precious metals mining industry who present results on a similar basis. However, Adjusted EBITDA does not represent, and should not be considered an alternative to, net income (loss) or cash flow provided by operating activities as determined under IFRS.

		Q4 2020		Q4 2019		FYE 2020		FYE 2019
Net loss	**$**	**(1,416,936)**	$	(1,188,405)	**$**	**(5,767,860)**	$	(2,443,489)
Adjusted for:								
Interest expense		**267,672**		178,708		**914,258**		489,458
Finance charges		**31,507**		-		**436,137**		-
Income tax provision		**(806,293)**		(244,457)		**(364,861)**		356,431
Depletion and amortization		**61,082**		278,914		**933,735**		2,415,942
Foreign exchange (gain) loss		**(76,906)**		13,522		**(112,880)**		194,792
Share-based payments[(1)]		**262,767**		228,411		**2,040,749**		1,084,471
Adjusted EB ITDA	**$**	**(1,677,107)**	$	(733,307)	**$**	**(1,920,722)**	$	2,097,605

(1) Includes stock options and restricted share units.

EVENTS AFTER THE REPORTING DATE

Subsequent to May 31, 2020, the Company:

- acquired a net 1.0% NSR royalty on the operating Wharf mine from third parties for total consideration of US$1.0 million in cash and 899,201 common shares. Wharf is owned by Coeur Mining Inc.;
- entered into an agreement with NuEnergy Gas Limited to acquire an existing 2.5% NSR royalty on the northern and southern portions of Kirkland Lake Gold Ltd.'s operating Fosterville mine for a total consideration of AUD$2.0 million in cash and 467,730 common shares. The transaction is expected to close in October 2020;
- completed a secondary public offering of 3,910,000 common shares of the Company previously held by Coeur, at a price of US$5.30 per common share for gross proceeds of US$20.7 million. The net proceeds of the Secondary Offering were paid directly to Coeur; and
- completed an amendment to the convertible loan facility with Beedie whereby Beedie will convert $6.0 million of the $7.0 million initial advance, the Company will drawdown the remaining $5.0 million from the original loan facility and Beedie would make an additional $20.0 million available to the Company to fund future acquisitions. Following completion of the amendment, Beedie converted $6.0 million at $5.56 per share for a total of 1,079,136 shares and the Company drew down the remaining $5.0 million with a revised conversion price of $9.90 from the original loan facility.

NEW ACCOUNTING STANDARDS

Accounting standards adopted during the period

Adoption of IFRS 16 Leases

The Company adopted IFRS 16 Leases ("**IFRS 16**") on June 1, 2019, in accordance with the transitional provisions of the standard, applying the modified retrospective approach. The comparative information has not been restated and continues to be reported under IAS 17 Leases and IFRIC 4: Determining Whether an Arrangement Contains a Lease, as permitted under the specific transitional provisions in IFRS 16.

At the inception of a contract, the new leasing standard requires the lessee to assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the lessee has the right to obtain substantially all of the economic benefits during the term of the arrangement and has the right to direct the use of the asset. If a lease is identified, the new standard eliminates the classification of leases as either operating or finance leases, and all leases that have a term of at least 12 months and are not of a low value will be recorded on the Company's consolidated statement of financial position.

The Company has completed its assessment of the new standard. The process included a review of all lease and service contracts, to determine if we have the right to control the use of an identified asset for a period of time in exchange for consideration. Based on the Company's analysis, the only contract to which the Company will apply the new standard relates to the lease for the use of the Company's office premise. As a result of adopting the new standard, the Company recognized a right-of-use asset of $26,029. The right-of-use asset was measured at an amount equal to the lease liability on adoption.

New accounting policy for leases under IFRS 16

At inception of a contract, an assessment is made as to whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date of a lease, a right-of-use asset and a lease liability are recognized. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received. A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. The lease obligation is measured at amortized cost using the effective interest method and remeasured if there is a change in future lease payments.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. An assessment is made at the end of each reporting period if there is an indication the carrying value of the right-of-use asset is not recoverable.

Adoption of IFRIC 23 Uncertainty over Income Tax Treatments

The Company adopted IFRIC 23 Uncertainty over Income Tax Treatments (" **IFRIC 23**") on June 1, 2019, with retrospective application in accordance with the standard. IFRIC 23 clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. The adoption of IFRIC 23 did not result in any adjustments to the Company's financial results or disclosures.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements in conformance with IFRS requires management to make estimates, judgments 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 significant accounting policies and estimates are disclosed in Note 2 of the annual consolidated financial statements for the year ended May 31, 2020.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted by the Company under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms and include, without limitation, controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted by the Company under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as defined under the Exchange Act, as at May 31, 2020. Based upon the results of that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as at May 31, 2020, the Company's disclosure controls and procedures were effective.

Internal Controls Over Financial Reporting

Management of the Company is responsible for establishing and maintaining effective internal control over financial reporting, and evaluating the effectiveness of the Company's internal control over financial reporting as at each fiscal year end. Management has used the framework in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("**COSO**") to evaluate the effectiveness of the Company's internal control over financial reporting as at May 31, 2020.

The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with IFRS as issued by the IASB. The Company's internal control over financial reporting includes:

- maintaining records, that in reasonable detail, accurately and fairly reflect our transactions and dispositions of the assets of the Company;
- providing reasonable assurance that transactions are recorded as necessary for preparation of the consolidated financial statements in accordance with IFRS as issued by the IASB;
- providing reasonable assurance that receipts and expenditures are made in accordance with authorizations of management and the directors of the Company; and
- providing reasonable assurance that unauthorized acquisition, use or disposition of Company assets that could have a material effect on the Company's consolidated financial statements would be prevented or detected on a timely basis.

The Company's internal control over financial reporting may not prevent or detect all misstatements because of inherent limitations. Additionally, 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 deterioration in the degree of compliance with the Company's policies and procedures. Management assessed the effectiveness of the Company's internal control over financial reporting as of May 31, 2020 based on COSO. Based on this assessment, management has concluded that, as of May 31, 2020, the Company's internal control over financial reporting is effective and no material weaknesses were identified.

Changes in Internal Controls

During the year ended May 31, 2019, the Company had reported that it did not have effective disclosure controls and procedures or internal controls over financial reporting due to the following material weaknesses in internal control over financial reporting: (a) given its size, the Company lacked the resources to enforce appropriate segregation of duties in certain financial processes, including journal entries, revenue and acquisitions of stream and royalty interests; (b) there were not yet appropriate processes and controls in place to review the accounting treatment of significant transactions; and (c) the Company did not yet have key entity level controls, including formal risk management controls or a system of internal controls around financial reporting. During the year ended May 31, 2020, the Company has implemented a system of internal controls to correct the material weaknesses identified in the previous year.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

RISK FACTORS

The Company's ability to generate revenues and profits from its natural resource properties is subject to a number of risks and uncertainties. The primary risk factors affecting the Company are set out below, for a full discussion on the risk factors affecting the Company, please refer to the Company's Annual Information Form dated May 31, 2020, which is available on www.sedar.com.

COVID-19 pandemic

The COVID-19 global health pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices (including gold and silver), and has raised the prospect of an extended global recession. As efforts are undertaken to slow the spread of the COVID-19 pandemic, the operation and development of mining projects on which the Company has a royalty, stream or other interest may be impacted. Suspensions of activity, and other effects of the pandemic on the companies with which, or the properties on which the Company holds a royalty, stream or other interest, or any direct impact of the pandemic on the Company's operations, may have an adverse impact on the Company's profitability, financial condition and the trading price of the Company's securities. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on the Company's profitability, results of operations, financial conditions and the trading price of the Company's securities.

Changes in the market price of the commodities

The revenue derived by the Company from its asset portfolio will be significantly affected by changes in the market price of the commodities underlying the royalty, stream, or non-operating interests. The Company's revenue will be particularly sensitive to changes in the price of gold and silver, as the revenue from these commodities represents substantially all of the cash flow derived from the asset portfolio. Commodity prices, including those to which Metalla is exposed, fluctuate on a daily basis and are affected by numerous factors beyond the control of the Company, including levels of supply and demand, industrial development levels, inflation and the level of interest rates, the strength of the U.S. dollar and geopolitical events. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, and political developments.

All commodities, by their nature, are subject to wide price fluctuations and future material price declines will result in a decrease in revenue or, in the case of severe declines that cause a suspension or termination of production by relevant operators, a complete cessation of revenue from royalty, stream, or non-operating interests applicable to one or more relevant commodities. Moreover, broader commodity market tends to be cyclical, and a general downturn in overall commodity prices could result in a significant decrease in overall revenue. Any such price decline may result in a material adverse effect on Metalla's profitability, results of operations, cash flows, financial condition, and trading price of Metalla securities.

Gold and silver are produced or will be produced as a by-product metal at some of the assets; therefore, production decisions and the economic cut-off applied to the reporting of gold and silver reserves and resources, as applicable, will be influenced by changes in the commodity prices of other metals at the mines.

Limited or lack of control over operations

The Company is not directly involved in the operation of mines. The revenue derived from the asset portfolio is based on production by third party property owners and operators. The owners and operators generally will have the power to determine the manner in which the properties are exploited, including decisions to expand, continue or reduce, suspend or discontinue production from a property, decisions about the marketing of products extracted from the property and decisions to advance exploration efforts and conduct development of non-producing properties. The interests of third-party owners and operators and those of the Company on the relevant properties may not always be aligned. As an example, it will usually be in the interest of the Company to advance development and production on properties as rapidly as possible in order to maximize near-term cash flow, while third party owners and operators may take a more cautious approach to development as they are at risk on the cost of development and operations. Likewise, it may be in the interest of property owners to invest in the development of and emphasize production from projects or areas of a project that are not subject to streaming, royalty or working interest obligations. The inability of Metalla to control the operations for the properties in which it has a royalty, stream, or other production-base interest may result in a material and adverse effect on Metalla's profitability, results of operations, cash flows, financial condition, and trading price of Metalla securities.

In addition, the owners or operators may take action contrary to Metalla's policies or objectives; be unable or unwilling to fulfill their obligations under their agreements with the Company; have difficulty obtaining or be unable to obtain the financing necessary to move projects forward; or experience financial, operational or other difficulties, including insolvency, which could limit the owner or operator's ability to perform its obligations under arrangements with the Company.

Furthermore, production from the properties in which Metalla holds an interest depends on the efforts of the owners/ operators' employees. There is competition for geologists and persons with mining expertise. The ability of the owners or operators of such properties to hire and retain geologists and persons with mining expertise is key to those operations. Also, relations with employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in the jurisdictions in which those operations are conducted. Changes in such legislation or otherwise in the relationships of the owners and operators of such properties with their employees may result in strikes, lockouts or other work stoppages, any of which could have a material and adverse effect on Metalla's profitability, results of operations, cash flows, financial condition, and trading price of Metalla securities.

The Company may not be entitled to any material compensation if any of the properties in which it holds a royalty, stream, or other production-base interest shuts down or discontinues their operations on a temporary or permanent basis. At any time, any of the operators of the properties in which it holds a royalty, stream, or other production-base interest or their successors may decide to suspend or discontinue operations.

The owners or operators of the projects in which the Company holds an interest may from time to time announce transactions, including the sale or transfer of the projects or of the operator itself, over which Metalla has little or no control. If such transactions are completed it may result in a new operator controlling the project, who may or may not operate the project in a similar manner to the current operator which may positively or negatively impact the Company. If any such transaction is announced, there is no certainty that such transaction will be completed, or completed as announced, and any consequences of such non-completion on Metalla may be difficult or impossible to predict.

Construction, development, and/or expansion on underlying properties

Some projects or properties in which the Company holds an royalty, stream, or other production-base interest in are in the permitting, construction, development, and/or expansion stage and such projects are subject to numerous risks, including, but not limited to delays in obtaining equipment, materials and services essential to the construction and development of such projects in a timely manner, delays or inability to obtain required permits, changes in environmental or other regulations, currency exchange rates, labour shortages, cost escalations and fluctuations in metal prices. There can be no assurance that the owners or operators of such projects will have the financial, technical and operational resources to complete permitting, construction, development, and/or expansion of such projects in accordance with current expectations or at all.

Limited access to data and disclosure

As a royalty/stream holder, the Company has limited access to data on the operations or to the actual properties themselves. This could affect its ability to assess the performance of the royalty, stream, or other production-base interest. This could result in deviations in cash flow from that which is anticipated by the Company. In addition, some royalty, stream, or non-operating interests may be subject to confidentiality arrangements which govern the disclosure of information with regard to said royalty, stream, or other production-base interest and, as such, the Company may not be in a position to publicly disclose non-public information with respect to certain royalty, stream, or non-operating interests. The limited access to data and disclosure regarding the operations of the properties in which the Company has an interest, may restrict Metalla's ability to enhance its performance which may result in a material and adverse effect on Metalla's profitability, results of operations, cash flows, financial condition, and trading price of Metalla securities. Although when creating new royalty or stream agreements, management attempts to obtain these rights, there is no assurance that such efforts will be successful.

Errors in calculations of royalty/stream payments and retroactive adjustments

Metalla's royalty/stream payments are calculated by the operators of the properties on which the Company has royalties/streams based on the reported production. Each owner or operator's calculation of our royalty/stream payments is subject to and dependent upon the adequacy and accuracy of its production and accounting functions, and errors may occur from time to time in the calculations made by an owner or operator. Certain royalty/stream agreements require the operators to provide the Company with production and operating information that may, depending on the completeness and accuracy of such information, enable the Company to detect errors in the calculation of royalty/stream payments that it receives. The Company does not, however, have the contractual right to receive production information for all of its royalty, stream, and similar production-based interests. As a result, Metalla's ability to detect royalty/stream payment errors through its royalty/stream monitoring program and its associated internal controls and procedures is limited, and the possibility exists that the Company will need to make retroactive royalty/stream revenue adjustments. Some of Metalla's royalty/stream contracts provide the right to audit the operational calculations and production data for the associated royalty/stream payments; however, such audits may occur many months following the recognition of such royalty/stream revenue and may require the Company to adjust its revenue in later periods.

Financial viability of property owners and operators

The Company is dependent to a large extent upon the financial viability and operational effectiveness of owners and operators of the relevant royalty/stream properties. Payments from production generally flow through the operator and there is a risk of delay and additional expense in receiving such revenues. Payments may be delayed by restrictions imposed by lenders, delays in the sale or delivery of products, the ability or willingness of smelters and refiners to process mine products, delays in the connection of wells to a gathering system, blowouts or other accidents, recovery by the operators of expenses incurred in the operation of the royalty/stream properties, the establishment by the operators of reserves for such expenses or the insolvency of the operator. The Company's rights to payment under the royalties/streams must, in most cases, be enforced by contract without the protection of the ability to liquidate a property. This inhibits Metalla's ability to collect outstanding royalties/streams upon a default. Additionally, some agreements may provide limited recourse in particular circumstances which may further inhibit the Metalla's ability to recover or obtain equitable relief in the event of a default under such agreements. In the event of a bankruptcy of an operator or owner, it is possible that an operator may claim that the Company should be treated as an unsecured creditor and, therefore, have a limited prospect for full recovery of revenue and a possibility that a creditor or the operator may claim that the royalty or stream agreement should be terminated in the insolvency proceeding. Failure to receive payments from the owners and operators of the relevant properties or termination of Metalla's rights may result in a material and adverse effect on the Company's profitability, results of operations, cash flows, and financial condition.

Unfulfilled contractual obligations

Royalty, stream, and similar production-based interests in natural resource properties are largely contractual in nature. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. To the extent grantors of royalty, stream, and similar production-based interests do not abide by their contractual obligations, the Company would be forced to take legal action to enforce its contractual rights. Such litigation may be time consuming and costly and there is no guarantee of success. Any pending proceedings or actions or any decisions determined adversely to the Company, may have a material and adverse effect on Metalla's profitability, results of operations, cash flows, financial condition, and the trading price of Metalla securities.

Unknown defects or impairments in the asset portfolio

Unknown defects in or disputes relating to the royalty, stream, and similar production-based interests the Company hold or acquire may prevent management from realizing the anticipated benefits from such royalty, stream, and similar production-based interests, and could have a material adverse effect on Metalla's profitability, results of operations, and financial condition. It is also possible that material changes could occur that may adversely affect management's estimate of the carrying values of royalty, stream, and similar production-based interests and could result in impairment charges. While the Company seeks to confirm the existence, validity, enforceability, terms and geographic extent of the royalty, stream, and similar production-based interests acquired, there can be no assurance that disputes over these and other matters will not arise. Confirming these matters, as well as the title to underlying mining property on which Metalla holds or seeks to acquire a royalty, stream, and other production-base interest, is a complex matter, and is subject to the application of the laws of each jurisdiction to the particular circumstances of each parcel of mining property and to the documents reflecting the royalty or stream interest. Similarly, royalty, stream, and similar production-based interests in many jurisdictions are contractual in nature, rather than interests in land, and therefore may be subject to change of control, bankruptcy or the insolvency of operators. The Company often does not have the protection of security interests over property that we could liquidate to recover all or part of Metalla's investment in a royalty, stream, and other production-base interest. Even if the Company retains its royalty, stream, and similar production-based interests in a mining project after any change of control, bankruptcy or insolvency of the operator, the project may end up under the control of a new operator, who may or may not operate the project in a similar manner to the current operator, which may have a material and adverse effect on Metalla's profitability, results of operations, cash flows, financial condition, and the trading price of Metalla securities.

Mineral Resource and Mineral Reserve Estimates

Mineral reserve and or mineral resource estimates for a specific mine or project may not be correct. The figures for mineral resources and mineral reserves contained in this MD&A are estimates only and were obtained from public disclosure in respect of the properties, as applicable. There can be no assurance that estimated mineral reserves and mineral resources will ever be recovered or recovered at the rates as estimated. Mineral reserve and mineral resource estimates are based on sampling and geological interpretation, and, are uncertain because samples used may not be representative. Mineral reserve and mineral resource estimates require revision (either to demonstrate an increase or decrease) based on production from the mine or project. The fluctuations of commodity prices and production costs, as well as changes in recovery rates, may render certain mineral reserves and mineral resources uneconomic and may result in a restatement of estimated reserves and/or mineral resources.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty of inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven and probable mineral reserves as a result of continued exploration.

Potential litigation involving underlying properties

Potential litigation may arise on a property on which the Company holds or has a royalty, stream, or other production-base interest (for example, litigation between joint venture partners or between operators and original property owners or neighbouring property owners). As a royalty/stream holder, the Company will not generally have any influence on the litigation and will not generally have access to data. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) could have a material and adverse effect on Metalla's profitability, results of operations, cash flows, financial condition, and the trading price of Metalla securities.

Legal proceedings

Due to the nature of its business, the Company may be subject to numerous regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on the Metalla's profitability, results of operations, cash flows, financial condition, and the trading price of Metalla securities.

Dependence on key personnel

The Company is dependent upon the continued availability and commitment of its key management, whose contributions to immediate and future operations of Metalla are of significant importance. The loss of any such key management could negatively affect business operations. From time to time, the Company may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. The number of persons skilled in the acquisition and development of royalties/streams is limited and competition for such persons is intense. Recruiting and retaining qualified personnel is critical to Metalla's success and there can be no assurance of such success. If the Company is not successful in attracting and retaining qualified personnel, Metalla's ability to execute its business model and growth strategy could be affected, which could have a material and adverse impact on its profitability, results of operations, and financial condition. The Company does not intend to maintain "key man" insurance for any members of its management.

Relations with employees

Production at mines or projects in which Metalla holds an interest depend on the efforts of employees. There is global competition for geologists and persons with mining expertise. The ability of a mining company to hire and retain geologists and persons with mining expertise is key to the specific mines or projects in which Metalla holds or may hold an interest. Further, relations with employees may be affected by changes in the scheme or labor relations that may be introduced by the relevant governmental authorities in the jurisdictions in which specific mines operate or in which a specific project is conducted. Changes in such legislation or otherwise in a mining company's relationships with their employees may result in strikes, lockouts or other work stoppages, any of which could have a material adverse effect on the operation of mines or projects, the results of operations and financial condition.

Conflict of interest

Certain of the directors and officers of the Company also serve as directors or officers of, or have significant shareholdings in, other companies involved in precious metals royalty and streaming business, to the extent that such other companies may engage in transactions or participate in the same ventures in which the Company participates, or in transactions or ventures in which the Company may seek to participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In all cases where directors and officers have an interest in other companies, such other companies may also compete with Metalla for the acquisition of royalty, stream, or non-operating interests. Such conflicts of the directors and officers may result in a material and adverse effect on Metalla's profitability, results of operations, cash flows, financial condition, and the trading price of Metalla securities.

New acquisitions or other material royalty or streaming transactions

The Company is continuously reviewing opportunities to acquire existing royalties or streams, to create new royalty interests or streaming arrangements through the financing of mining projects, financing of new acquisitions or to acquire companies that hold royalties or streams. At any given time, the Company may have various types of transactions and acquisition opportunities in various stages of active review, including submission of indications of interest and participation in discussions or negotiations in respect of such transactions. This process also involves the engagement of consultants and advisors to assist in analyzing particular opportunities. Any such acquisition or transaction could be material to the Company and may involve the issuance of securities by the Company or the incurring of indebtedness to fund any such acquisition. In addition, any such acquisition or other royalty or streaming transaction may have other transaction specific risks associated with it, including risks related to the completion of the transaction, the project operators or the jurisdictions in which assets may be acquired. Additionally, the Company may consider opportunities to restructure its royalties or stream arrangements where it believes such a restructuring may provide a long-term benefit to the Company, even if such restructuring may reduce near-term revenues or result in the Company incurring transaction related costs. The Company may enter into one or more acquisitions, restructurings or other royalty and streaming transactions at any time.

Uncertainty of dividends on its common shares

Payment of dividends on the Metalla common shares is within the discretion of the Company's Board of Directors and will depend upon Metalla's future earnings, cash flows, acquisition capital requirements, financial condition, and other relevant factors. Although the Company has in the past paid dividends, the Company has currently suspended the payment of dividends as a result of the COVID-19 pandemic. There can be no assurance that the Company will in the future declare or pay dividends.

Future financing and dilution to existing shareholders

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could impede Metalla's funding obligations, or result in delay or postponement of further business activities which may result in a material and adverse effect on Metalla's profitability, results of operations, and financial condition. The Company may require new capital to continue to grow its business and there are no assurances that capital will be available when needed, if at all. It is likely that, at least to some extent, such additional capital will be raised through the issuance of additional equity. To the extent additional securities are issued, Metalla's existing securityholders could be diluted and some or all of Metalla's financial measures could be reduced on a per share basis. Additionally, Metalla securities issued in connection with a transaction may not be subject to resale restrictions and, as such, the market price of Metalla securities may decline if certain large holders of Metalla securities or recipients of Metalla securities in connection with an acquisition, sell all or a significant portion of such securities or are perceived by the market as intending to sell such securities. In addition, such issuances of securities may impede Metalla's ability to raise capital through the sale of additional equity securities in the future.

Changes in tax legislation or accounting rules

Changes to, or differing interpretation of, taxation laws or regulations in any of Canada, Cayman Islands, Guernsey, or any of the countries in which Metalla's assets or relevant contracting parties are located could result in some or all of Metalla's profits being subject to additional taxation. No assurance can be given that new taxation rules or accounting policies will not be enacted or that existing rules will not be applied in a manner which could result in Metalla's profits being subject to additional taxation or which could otherwise have a material adverse effect on Metalla's profitability, results of operations, cash flows, financial condition and the trading price of Metalla securities. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make royalty, stream, or non-operating interests by the Company less attractive to counterparties. Such changes could adversely affect Metalla's ability to acquire new assets or make future investments.

Corporate governance and public disclosure regulations

The Company is subject to changing laws and changing rules and regulations promulgated by a number of Canadian and U.S. governmental and self-regulated organizations, including the Canadian Securities Administrators, SEC, the TSX-V, and the IASB. These rules and regulations continue to evolve in scope and complexity making compliance more difficult and uncertain. For example, legislation has been enacted that will require the Company to disclose on an annual basis certain payments made by Metalla, its subsidiaries or entities controlled by it, to domestic and foreign governments, including sub-national governments. Further, Metalla's efforts to comply with these and other new and existing rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Foreign currency

The Company's certain royalty, stream, and similar production-based interests are subject to foreign currency fluctuations and inflationary pressures, which may have a material and adverse effect on the Company's profitability, results of operations and financial condition. At this time, there are no currency hedges in place. Therefore, a weakening of the Canadian dollar against such foreign currencies may have a material and adverse effect on Metalla's profitability, results of operations, cash flows, and financial condition.

Foreign jurisdictions and political risks

Many of the Company's royalty, stream, and similar production-based interests relate to properties outside of the Canada, including in Africa and Latin America. In addition, future investments may expose the Company to new jurisdictions. The ownership, development, and operation of these properties and the mines and projects thereupon by their owners and operators are subject to the risks normally associated with conducting business in foreign countries. These risks include, depending on the country, nationalization and expropriation, social unrest and political instability, less developed legal and regulatory systems, uncertainties in perfecting mineral titles, trade barriers, exchange controls and material changes in taxation. These risks may, among other things, limit or disrupt the ownership, development or operation of properties, mines or projects in respect of which the Company holds royalty, stream, and similar production-based interests, restrict the movement of funds, or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation. The Company applies various methods, where practicable, to identify, assess and, where possible, mitigate these risks prior to entering into stream and royalty agreements. Such methods generally include: conducting due diligence on the political, social, legal and regulatory systems and on the ownership, title and regulatory compliance of the properties subject to the royalty or stream interest; engaging experienced local counsel and other advisors in the applicable jurisdiction; negotiating where possible so that the applicable royalty or stream agreement contains appropriate protections, representations, warranties and, in each case as the Company deems necessary or appropriate in the circumstances, all applied on a risk adjusted basis. There can be no assurance, however, that the Company will be able to identify or mitigate all risks relating to holding royalty, stream, and similar production-based interests in respect of properties, mines and projects located in foreign jurisdictions, and the occurrence of any of the factors and uncertainties described above could have a material adverse effect on the Metalla's profitability, results of operations, cash flows, financial condition, and trading price of Metalla securities.

There is sovereign risk in investing in foreign countries, including the risk that the resource concessions may be susceptible to revision or cancellation by new laws, may not be renewed as anticipated or may otherwise be adversely impacted by changes in direction by the government in question. It is possible that changes in applicable laws, regulations, or in their enforcement or regulatory interpretation could result in adverse changes to mineral or oil & natural gas operations. These are matters over which Metalla has no control. There is no assurance that future political and economic conditions in such countries will not result in the adoption of different policies or attitudes respecting the development and ownership of resources. Any such changes in policy or attitudes may result in changes in laws affecting ownership of assets, land tenure and resource concessions, licensing fees, taxation, royalties, price controls, exchange rates, export controls, environmental protection, labour relations, foreign investment, nationalization, expropriation, repatriation of income and return of capital, which may affect both the ability to undertake exploration and development on, or production from, the properties in which Metalla holds a royalty, stream or other production-base interest. In certain areas where Metalla holds a royalty, stream or other production-base interest, the regulatory environment is in a state of continuing change, and new laws, regulations and requirements may be retroactive in their effect and implementation. Any changes in governmental laws, regulations, economic conditions or shifts in political attitudes or stability are beyond the control of Metalla and the owners and operators of the properties in which Metalla has an interest and such changes may result in a material and adverse effect on Metalla's profitability, results of operations, financial condition and the trading price of Metalla securities. Additionally, Metalla is indirectly exposed to the risks faced by the owners and operators of the properties in which Metalla holds or will hold royalty, stream or similar production-based interests in foreign jurisdictions. These include risks related to political and economic instability, under-developed legal systems, inconsistencies in the application of local laws and other legal uncertainty, terrorism, military repression, political violence, crime, corruption, infectious diseases, unsophisticated infrastructure and inaccessibility.

Continued challenging global financial conditions

Global financial conditions have been characterized by ongoing volatility. Global financial conditions could suddenly and rapidly destabilize in response to future events, as government authorities may have limited resources to respond to future crises. Global capital markets have continued to display increased volatility in response to global events. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. Any sudden or rapid destabilization of global economic conditions could negatively impact Metalla's ability, or the ability of the operators of the properties in which Metalla holds royalty, stream or similar production-based interests, to obtain equity or debt financing or make other suitable arrangements to finance their projects. Additionally, the Company may be subject to counterparty risk and liquidity risk. The Company is exposed to various counterparty risks including, but not limited to (a) through financial institutions that hold Metalla's cash, (b) through companies that have payables to Metalla, (c) through Metalla's insurance providers, and (d) through Metalla's lenders. The Company is also exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of the Company to obtain loans or other credit facilities or obtain equity financing in the future or to obtain them on terms favourable to the Company. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, Metalla's profitability, results of operations, cash flows, financial condition, and the trading price of Metalla securities could be adversely impacted.

CAUTIONARY STATEMENT REGARDING MINERAL RESERVE AND RESOURCE ESTIMATES

The disclosure in this MD&A was prepared in accordance with Canadian National Instrument 43-101 (" **NI 43-101**"), which differs significantly from the current requirements of the U.S. Securities and Exchange Commission (the "SEC") set out in Industry Guide 7. Accordingly, such disclosure may not be comparable to similar information made public by companies that report in accordance with Industry Guide 7. In particular, this MD&A may refer to "mineral resources", "measured mineral resources", or "inferred mineral resources". While these categories of mineralization are recognized and required by Canadian securities laws, they are not recognized by Industry Guide 7 and are not normally permitted to be disclosed in SEC filings by U.S. companies. U.S. investors are cautioned not to assume that any part of a "mineral resource", "measured mineral resources", "indicated mineral resources", or "inferred mineral resource" will ever be converted into a "reserve." In addition, "reserves" reported by the Company under Canadian standards may not qualify as reserves under Industry Guide 7. Under Industry Guide 7, mineralization may not be classified as a "reserve" unless the mineralization can be economically and legally extracted or produced at the time the "reserve" determination is made. Accordingly, information contained or referenced in this MD&A containing descriptions of mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of Industry Guide 7.

"Inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Further, while NI 43-101 permits companies to disclose economic projections contained in preliminary economic assessments and pre-feasibility studies, which are not based on "reserves", U.S. companies have not generally been permitted to disclose economic projections for a mineral property in their SEC filings prior to the establishment of "reserves. "Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian reporting standards; however, Industry Guide 7 normally only permits issuers to report mineralization that does not constitute "reserves" by Industry Guide 7 standards as in-place tonnage and grade without reference to unit measures. Historical results or feasibility models presented herein are not guarantees or expectations of future performance.

QUALIFIED PERSONS

The technical information contained in this MD&A has been reviewed and approved by Charles Beaudry, geologist M.Sc., member of the Association of Professional Geoscientists of Ontario and of the Ordre des Géologues du Québec and a director of Metalla. Mr. Beaudry is a Qualified Person as defined in "National Instrument 43-101 Standards of disclosure for mineral projects".

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and U.S. securities legislation. The forward-looking statements herein are made as of the date of this MD&A only and the Company does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events or future performance of Metalla, disclosure regarding the precious metal purchase agreements and royalty payments to be paid to Metalla by property owners or operators of mining projects pursuant to net smelter returns and other royalty agreements of Metalla, management's expectations regarding Metalla's growth, results of operations, estimated future revenues, carrying value of assets, dividend policy and future payment of dividends, and requirements for additional capital, production estimates, production costs and revenue, future demand for and prices of commodities, expected mining sequences, business prospects and opportunities, other statements regarding the impact of the COVID-19 pandemic and measures taken to reduce the spread of COVID-19 on the Company's operations and overall business, statements regarding the temporary duration of the COVID-19 pandemic. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. A number of factors could cause actual events or results to differ materially from any forward-looking statements, including, without limitation: fluctuations in the prices of the primary commodities that drive royalty and stream revenue (gold and silver); fluctuations in the value of the U.S. dollar and any other currency in which revenue is generated, relative to the Canadian dollar; changes in national and local government legislation, including permitting and licensing regimes and taxation policies and the enforcement thereof; regulatory, political or economic developments in any of the countries where properties in which the Company holds a royalty, stream, or other production-base interest are located or through which they are held, measures taken by the Company, governments or partner operators in response to the COVID-19 pandemic or otherwise that, individually or in the aggregate, materially affect the Company's ability to operate its business, risks related to the operators of the properties in which the Company holds a royalty, stream, or other production-base interest, including changes in the ownership and control of such operators; influence of macroeconomic developments; business opportunities that become available to, or are pursued by the Company; reduced access to debt and equity capital; litigation; title, permit or license disputes related to interests on any of the properties in which the Company holds a royalty, stream, or non-operating interest; whether or not the Company is determined to have "passive foreign investment company" ("**PFIC**") status as defined in Section 1297 of the United States Internal Revenue Code of 1986, as amended; the ability to maintain adequate controls as required by law; potential changes in Canadian tax treatment of offshore streams; excessive cost escalation as well as development, permitting, infrastructure, operating or technical difficulties on any of the properties in which the Company holds a royalty, stream, or other production-based interest; the possibility that actual mineral content may differ from the reserves and resources contained in technical reports; rate and timing of production differences from resource estimates, other technical reports and mine plans; risks and hazards associated with the business of development and mining on any of the properties in which the Company holds a royalty, stream, or other production-based interest, including, but not limited to unusual or unexpected geological and metallurgical conditions, slope failures or cave-ins, flooding and other natural disasters, terrorism, civil unrest or an outbreak of contagious diseases including COVID-19; the integration of acquired assets; as well as other factors identified and as described in more detail under the heading "Risk Factors" in this MD&A and in the Company's Annual Information Form and Form 40-F Annual Report filed with regulators in Canada at www.sedar.com and the SEC at www.sec.gov.

The forward-looking statements contained in this MD&A are based on reasonable assumptions that have been made by management as at the date of such information and is subject to unknown risks, uncertainties and other factors that may cause the actual actions, events or results to be materially different from those expressed or implied by such forward-looking information, including, without limitation: the impact of general business and economic conditions; the ongoing operation of the properties in which the Company holds a royalty, stream, or other production-base interest by the owners or operators of such properties in a manner consistent with past practice; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; no material adverse change in the market price of the commodities that underlie the asset portfolio; the Company's ongoing income and assets relating to determination of its PFIC status; no material changes to existing tax treatment; no adverse development in respect of any significant property in which the Company holds a royalty, stream, or other production-base interest; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; the world-wide economic and social impact of COVID-19 is managed and the duration and extent of the coronavirus pandemic is minimized or not long-term; disruptions related to the COVID-19 pandemic or other health and safety issues, or the responses of governments, communities, partner operators, the Company and others to such pandemic or other issues; integration of acquired assets; actual results of mining and current exploration activities; conclusions of economic evaluations and changes in project parameters as plans continue to be refined; problems inherent to the marketability of precious metals; stock market volatility; competition; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended.

Although Metalla has attempted to identify important factors that could cause actual actions, events or results to differ materially from those contained in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Investors are cautioned that forward-looking statements are not guarantees of future performance. The Company cannot assure investors that actual results will be consistent with these forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements or information.

This MD&A contains future-orientated information and financial outlook information (collectively, " **FOFI**") about the Company's revenues from royalties, streams and other projects which are subject to the same assumptions, risk factors, limitations and qualifications set forth in the above paragraphs. FOFI contained in this MD&A was made as of the date of this MD&A and was provided for the purpose of providing further information about the Company's anticipated business operations. Metalla disclaims any intention or obligation to update or revise any FOFI contained in this MD&A, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. FOFI contained in this MD&A should not be used for the purposes other than for which it is disclosed herein.

Certification Pursuant to Section 302
of the Sarbanes-Oxley Act of 2002

I, Brett Heath**,** certify that:

1. I have reviewed this annual report on Form 40-F of Metalla Royalty & Streaming Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the issuer and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles

    c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: August 21, 2020

By: /s/ Brett Heath
Brett Heath
President and Chief Executive Officer

Certification Pursuant to Section 302
of the Sarbanes-Oxley Act of 2002

I, Bill Tsang**,** certify that:

1. I have reviewed this annual report on Form 40-F of Metalla Royalty & Streaming Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the issuer and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles

    c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: August 21, 2020

By: /s/ Bill Tsang
Bill Tsang
Chief Financial Officer

Section 906 Certification

Certification Pursuant to
18 U.S.C. Section 1350

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 40-F of Metalla Royalty & Streaming Ltd., a British Columbia corporation (the "Company"), for the period ending May 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 21, 2020

/s/ Brett Heath
Brett Heath
President and Chief Executive Officer

Section 906 Certification

Certification Pursuant to
18 U.S.C. Section 1350

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 40-F of Metalla Royalty & Streaming Ltd., a British Columbia corporation (the "Company"), for the period ending May 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 21, 2020

/s/ Bill Tsang
Bill Tsang
Chief Financial Officer

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Metalla Royalty & Streaming Ltd.

We, KPMG LLP, consent to the use of our report dated August 21, 2020 with respect to the consolidated financial statements included in this Annual Report on Form 40-F. Our report refers to a change in accounting policy for leases as of June 1, 2019 due to the adoption of IFRS 16 *Leases*.

We, KPMG LLP, also consent to the incorporation by reference of such report in the Registration Statements on Form F-10 (No. 333-237887) and Form S-8 (No. 333-234659).

/s/ KPMG

Chartered Professional Accountants
August 21, 2020
Vancouver, Canada

CONSENT OF CHARLES BEAUDRY

The undersigned hereby consents to all references to him as a non-independent qualified person in or incorporated by reference in the Annual Report on Form 40-F being filed by Metalla Royalty & Streaming Ltd. in connection with certain technical and scientific information described therein.

I also consent to the reference to me under the heading "Interests of Experts," which appears in the Annual Information Form included in such Annual Report on Form 40-F.

I also hereby consent to the inclusion or incorporation of all references to me in the Registration Statements on Form F-10 (No. 333-237887) and Form S-8 (No. 333-234659). This consent extends to any amendments to the Form F-10 or Form S-8, including post-effective amendments.

/s/ Charles Beaudry
Charles Beaudry
August 21, 2020