
INVESTMENT POLICY

Queen's Road Capital Investment Ltd. (the "**Company**") has adopted the following investment policies to govern its investment activities. This policy sets out, among other things, investment objectives and strategy based on the fundamental principles set out below.

Investment Objectives

The investment objectives for the Company as an investment issuer are:

1. to seek a high return on investment in the natural resources sector; and
2. to limit downside risk while retaining significant upside exposure through the effective structuring of its investments.

Subject to the availability of capital, the Company intends to create a diversified portfolio of investments. A disciplined approach will be applied to the identification, review and assessment of high-quality advanced exploration stage, pre-production and producing assets.

The Company intends to pay regular dividends to shareholders based on income received from interest bearing investments.

Investment Strategy

Due to the challenging capital markets for resource issuers, the Company anticipates that it will have access to a wide variety of investment opportunities. The Company will retain flexibility in reviewing opportunities in order to maximize return on investment, but it will focus on the strategy described below and only make investments that are consistent with its ESG Policy.

Investment Sector: The global resource exploration, development and production sector with an emphasis on development and production assets.

Investment Types: Equity, debt, convertible debentures, royalties, streams and any other investment structure, either acquired or created, with an emphasis on convertible debt securities.

Commodities: All commodities that comprise natural resources. Such commodities may include, but are not limited to, base metals, precious metals, ferrous and non-ferrous metals, industrial minerals, agricultural minerals, oil, gas, water and forestry products.

Jurisdictions: All countries are permissible with an emphasis on jurisdictions with low geopolitical risk.

Investment Size: Unlimited, which may result in the Company holding a control position in an investee company.

Investment Timeline: Not limited

Investment Targets: Investments in public or private corporations, partnerships or other legal entities which own, or propose to own, natural resource assets or derivatives of natural resource assets. Additionally, direct project investment either through direct equity in a project or through a derivative interest such as a royalty, stream or other derivative facility. In reviewing potential targets, emphasis will be placed on high quality assets in relatively safe jurisdictions.

Investment Review: Will seek to maintain the ability to actively review and revisit all investments on an ongoing basis.

Liquidity: Will evaluate the liquidity of investments and seek to realize value in a prudent and orderly fashion.

Composition of Investment Portfolio

The nature and timing of the Company's investments will depend, in part, on the investment opportunities available to the Company and on available capital. The composition of its investment portfolio will vary over time depending on its assessment of a number of factors including the performance of financial markets and credit risk.

Implementation of Investment Policy

The Company's investments must be made in accordance with this Investment Policy and, implementation of the Investment Policy has been delegated to an investment committee appointed by the board of directors of the Company. Investment Committee approval will be required for any investment or series of related investments that represent 10% or more of the Company's consolidated total assets at the time of investment.

Pending investment, the Company's cash on hand may be invested on a short-term basis on the authority of the CEO or the President in (a) demand deposits with leading international financial institutions; (b) treasury bills, bonds or other debt securities issued or guaranteed by federal, state or provincial governments and having a rating from a recognized bond rating service (being DBRS, Standard & Poor's or Moody's, or their successors) of not less than "A (low)" or "R-1 (low)" in the case of DBRS, "A3" or "p-2" in the case of Moody's or "A-", "A-2" or "A-1(low)" in the case of Standard & Poor's; or (c) guaranteed investment certificates or other debt securities having a rating from a recognized bond rating service (such as DBRS, Standard & Poor's or Moody's) of not less than "R-1 (low)" in the case of DBRS, "p-2" in the case of Moody's or "A-2" or "A-1(low)" in the case of Standard & Poor's. Any other short-term cash management investment is subject to approval by the Board.

EFFECTIVE DATE

This Investment Policy was last reviewed, revised, approved and adopted by the Board effective on June 7, 2023.