

QUEEN'S  
ROAD  
CAPITAL



QUEEN'S ROAD CAPITAL INVESTMENT LTD. (TSX: QRC)  
Leading Financier to the Global Resource Sector

# Cautionary Statement

**IMPORTANT: PLEASE READ THE FOLLOWING BEFORE CONTINUING.** The information contained in this document has been prepared by QUEEN'S ROAD CAPITAL INVESTMENT LTD. ("QRC" or the "Company"). The information contained in this document (a) is provided as at the date hereof and is subject to change without notice, (b) does not purport to contain all the information that may be necessary or desirable to fully and accurately evaluate an investment in the Company, including important disclosures relating to the terms of an investment and risk factors associated with an investment in the Company and (c) is not to be considered as a recommendation by the Company that any person make an investment in the Company.

This presentation ("Presentation"), and the information contained herein, is not for release, distribution or publication into or in the United States or any other jurisdiction where applicable laws prohibit its release, distribution or publication. This Presentation is being issued by the Company for information purposes only. It is information in a summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

This Presentation is not a prospectus, offering memorandum or an advertisement and is being provided for information purposes only and does not constitute or form part of, and should not be construed as, an offer or invitation to sell or any solicitation of any offer to purchase or subscribe for any securities in Canada, the United States or any other jurisdiction. Neither this Presentation, nor any part of it, nor anything contained or referred to in it, nor the fact of its distribution, should form the basis of or be relied on in connection with or act as an inducement in relation to a decision to purchase or subscribe for or enter into any contract or make any other commitment whatsoever in relation to any securities of the Company. Recipients of this Presentation who are considering acquiring securities of the Company are reminded that any such purchase or subscription must not be made on the basis of the information contained in this Presentation but are referred to the entire body of publicly disclosed information regarding the Company. This Presentation is qualified in its entirety by reference to, and must be in read in conjunction with, the Company's publicly disclosed information.

Certain information contained herein includes market and industry data that has been obtained from or is based upon estimates derived from third party sources, including industry publications, reports and websites. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance or guarantee as to the accuracy or completeness of included data. Although the data is believed to be reliable, neither the Company nor its agents have independently verified the accuracy, currency or completeness of any of the information from third party sources referred to in this presentation or ascertained from the underlying economic assumptions relied upon by such sources. The Company hereby disclaims any responsibility or liability whatsoever in respect of any third party sources of market and industry data or information. This Presentation has not been independently verified and the information contained within may be subject to updating, revision, verification and further amendment. While the information contained herein has been prepared in good faith, except as otherwise provided for herein, the Company does not provide any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers and liability therefore is expressly disclaimed for any loss howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith. Except as may be required by applicable law, in furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies or omissions. Information contained in this Presentation is the property of the Company and it is made available strictly for the purposes referred to above.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:** This document includes information, statements, beliefs and opinions which are forward-looking, and which reflect current estimates, expectations and projections about future events, including, but not limited to the Company's intended investment strategy and the returns expected therefrom and other statements that contain words such as "believe," "expect," "project," "should," "seek," "anticipate," "will," "intend," "positioned," "risk," "plan," "may," "estimate" or, in each case, their negative and words of similar meaning. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. These factors and risks include, but are not limited to, those described in our public disclosure documents filed on SEDAR at [www.sedar.com](http://www.sedar.com), and could cause actual events or results to differ materially from those projected in any forward-looking statements. Forward-looking information contained in this Presentation is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. Such forward-looking information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Investors are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties, assumptions and other unpredictable factors, many of which are beyond the Company's control. You should not place undue reliance on forward-looking statements, which are based on the information available as of the date of this document and the Company disclaims any intention or obligation to update or revise any forward-looking information contained in this document, whether as a result of new information, future events or otherwise, unless required by applicable law. The forward-looking information included in this Presentation is expressly qualified in its entirety by this cautionary statement.

Historical statements contained in this document regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. In this regard, certain financial information contained herein has been extracted from, or based upon, information available in the public domain and/or provided by the Company. No statement in this document is intended to be nor may be construed as a profit forecast.

# Queen's Road Capital (QRC)

- QRC is a leading source of investment capital to resource companies and projects throughout the world
- QRC focuses on investment structures which, where possible, limit downside and retain upside
  - Preference for convertible debenture structures
    - Income during life of debenture through interest payment
    - Downside protected as debt structure ranks ahead of shareholders
    - Unlimited upside (conversion option of the debenture)
- QRC is well funded and backed by two of Australia's most successful entrepreneurs: Jack Cowin (Competitive Foods) and Andrew Forrest (ASX: FMG)

# Queen's Road Capital (QRC)

- QRC is managed by Warren Gilman and Alex Granger who have over 60 years of deal making and financing in the global resource sector
  - Directors & Officers own ~10% of QRC which was acquired entirely through share purchases
- QRC's general investment criteria:
  - Commodity agnostic
  - Companies/Projects in safe jurisdictions
  - Projects in production or advancing to development
  - Seeking world-class projects as well as disruptive assets (e.g. NexGen)
  - Supporting management teams with successful track records
  - <20% equity in investee upon conversion of debenture

# QRC Leadership Team

## Hong Kong Directors

### Warren Gilman – Chairman & CEO

- CEO of Queen's Road Capital Investment Ltd.
- Mining engineer
- 26 years at CIBC running mining investment banking in Canada, Australia and Hong Kong
- 10 years as Chairman & CEO of CEF Holdings, investing in the global mining sector jointly with Li Ka-shing, one of Asia's richest person

### Alex Granger – President & Director

- President of Queen's Road Capital Investment Ltd.
- 20 years in Asia; all in the metals & mining sector
- 10 years as an investment banker covering the global metals & mining sector at both CIBC and Credit Suisse
- 9 years as CEO & director of TSXV listed junior mining issuers

### Donald Roberts – Independent Director

- Chartered accountant with the CPAs of Canada, Alberta & BC
- Group Deputy CFO of Hutchison Whampoa Ltd. until retirement in 2011

### Peter Chau – Independent Director

- Managing Director and Chief Investment Officer of Infiniti Investment Management Ltd., a HK-based investment company

## Overseas Director

### Michael Cowin – Independent Director

- Principal at Corom Funds Management (family office for the Cowin Family)
- 20 years as a fund manager in Australia with a focus on small caps and mining issuers

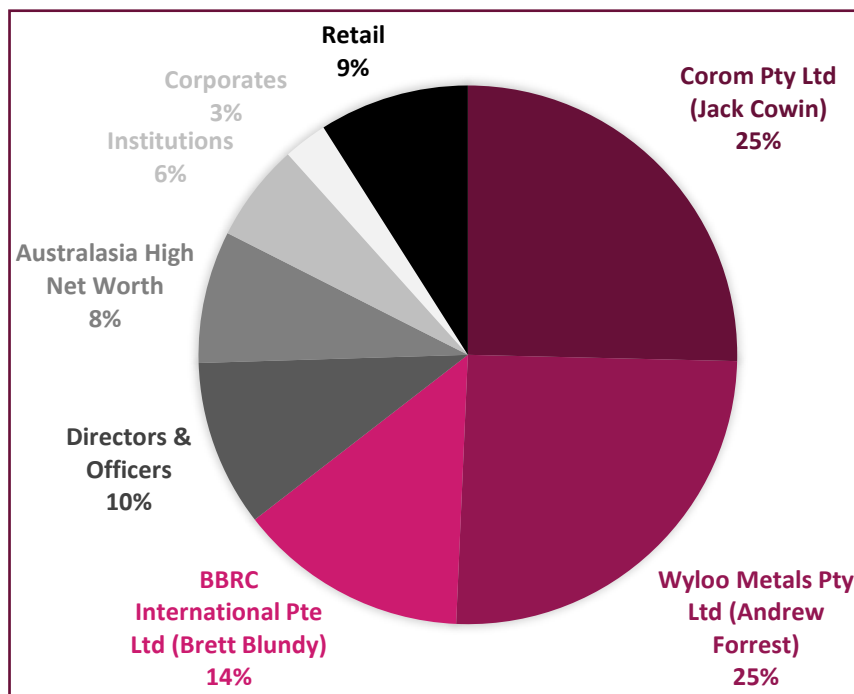


# Warren Gilman – CEF Track Record

- Warren Gilman left CIBC in 2011 with the title of Vice Chairman & Head of Asia Pacific, responsible for all CIBC business activities in Asia
- Joined CEF in 2011 & led it for the next 8 years until its closure in 2019
- CEF was owned 50% by CIBC & 50% by CK Hutchison Holdings (Mr. Li Ka-shing's flagship company)
- During Mr. Gilman's tenure, CEF approved US\$555 million of investments in 12 separate transactions
  - 5 of those transactions were co-investments directly with Mr. Li and/or CK Hutchison Holdings
  - Commodities involved included: gold, copper, PGMs, uranium and niobium
  - Structures included: debt + warrants, converts, equity and streams
  - IRRs ranged from 15% to 48% with all investments yielding positive returns
- They continue to hold the largest of those investments:
  - US\$170 million in NexGen (uranium, largest shareholder of Co.)
  - US\$225 million in Niobec (niobium, invested jointly with Temasek)

# QRC Capital Structure

- QRC is a tightly held company with 75% of the shares in the hands of three strategic investors as well as Directors & Officers.



Basic Shares Outstanding:	451,331,552
Options Outstanding	
02/25 Expiry (C\$0.30)	3,000,000
02/25 Expiry (C\$0.55)	150,000
02/27 Expiry (C\$0.64)	35,500,000
Diluted Shares Outstanding:	489,981,552
Share Price:	C\$0.70
52-Week High/Low:	C\$0.85/C\$0.60
Avg. Daily Volume	51,320 shares
Market Cap:	C\$316 million

# QRC Capital Structure

## Corom Pty Ltd. (Jack Cowin)

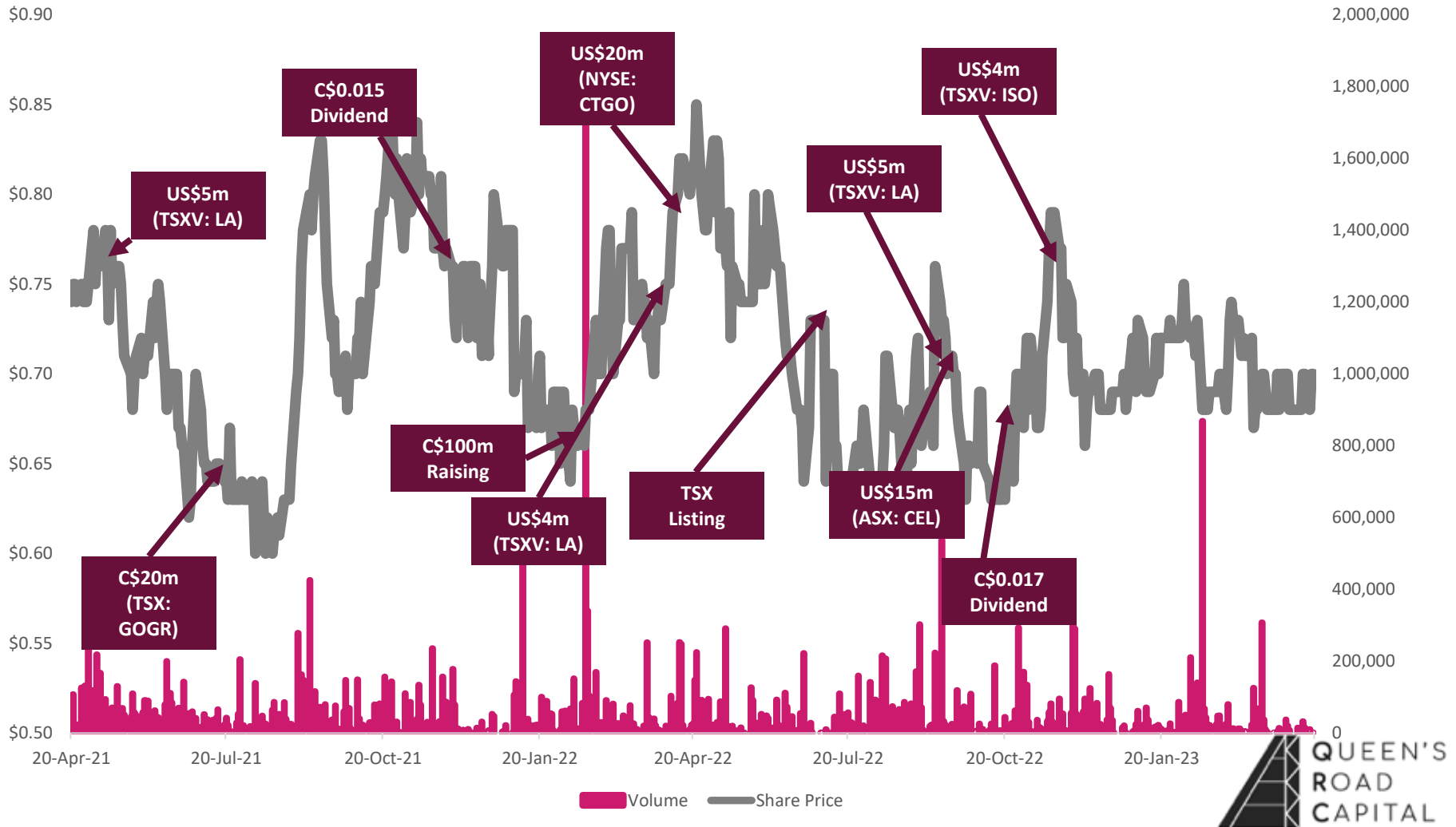
- Corom Pty Ltd. is an investment vehicle owned and controlled by Mr. Jack Cowin, a Canadian-Australian businessman and philanthropist
- Mr. Cowin is one of Australia's most successful and highly regarded entrepreneurs
- Starting with a single KFC franchise in 1969, he built Competitive Foods Australia Pty Ltd. into one of Australia's largest restaurant franchisors, including the eponymous Hungry Jack's franchise
- Mr. Cowin is Chairman of ASX-listed Domino's Pizza Enterprises Ltd. which has a market value of A\$7 billion and is 27% owned by the Cowin Family
- Mr. Cowin is famous in Australia as a successful investor across a variety of industries including media (Ten Network), cattle ranching (Stanbroke Pastoral), tourism (BridgeClimb Sydney) and wine (Torbreck Vintners)
- Mr. Cowin recently retired as Chancellor of Western University in London, Ontario, his alma mater

## Wyloo Metals Ltd. (Andrew Forrest)

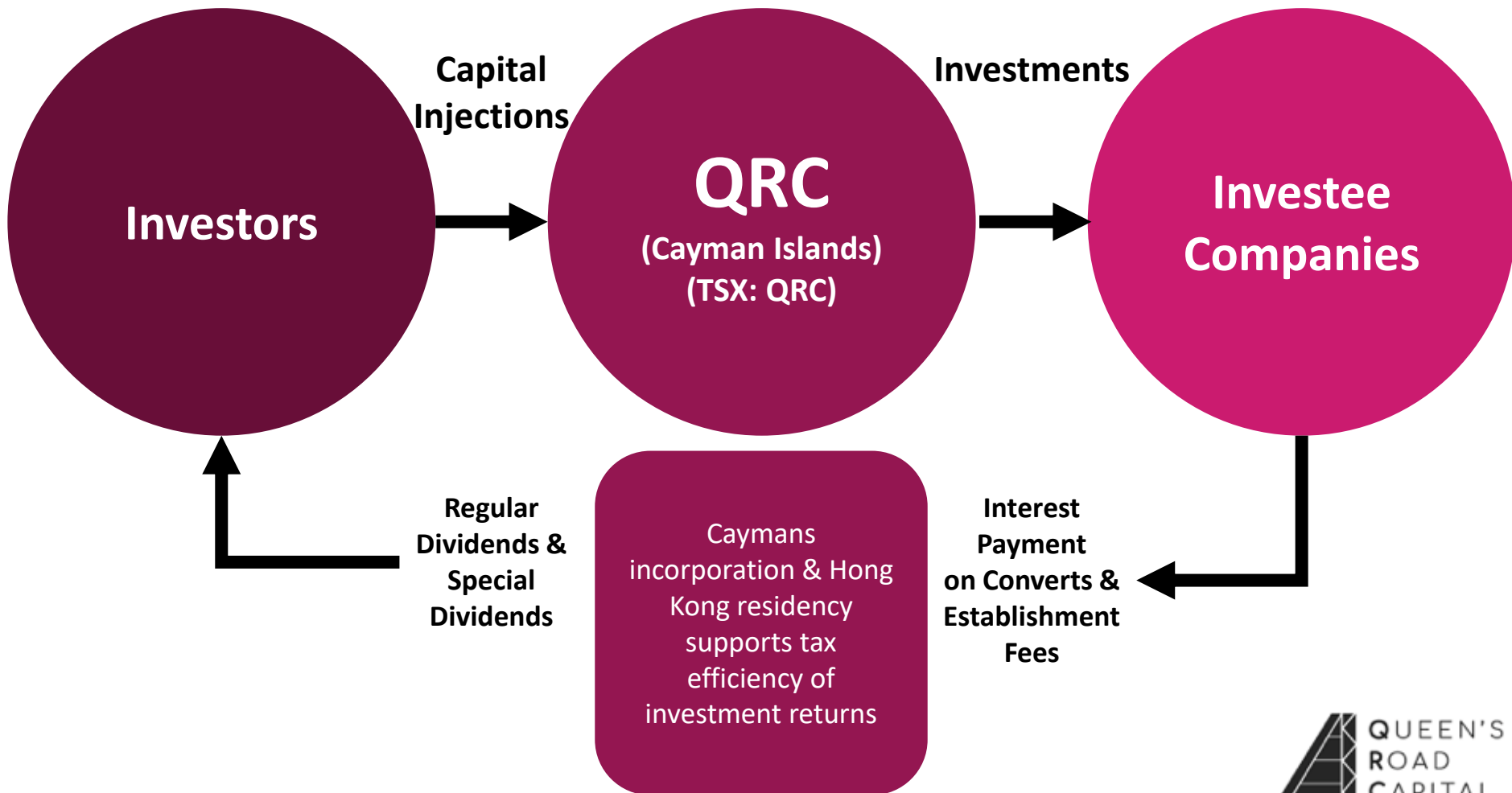
- Tattarang is one of Australia's largest private investment groups established by the Forrest family. Dr Andrew Forrest founded and is currently the Chairman of Fortescue Metals Group (FMG), the fourth largest iron ore producer globally and one of the largest companies listed on the Australian Stock Exchange. Tattarang owns a ~35% interest in FMG as well as owns and operates various other businesses across the energy, resources, property, agri-food, hospitality, sport and entertainment sectors.
- Wyloo Metals is the mining business division of Tattarang supporting the discovery and development of the next generation of mines required for a cleaner and more sustainable future. Wyloo manages a diverse portfolio of wholly-owned exploration projects and cornerstone investments in both public and private companies. Wyloo are long-term and collaborative investors, working closely with management teams to accelerate projects into commercial production.



# QRC Share Price Performance



# QRC Investment Structure

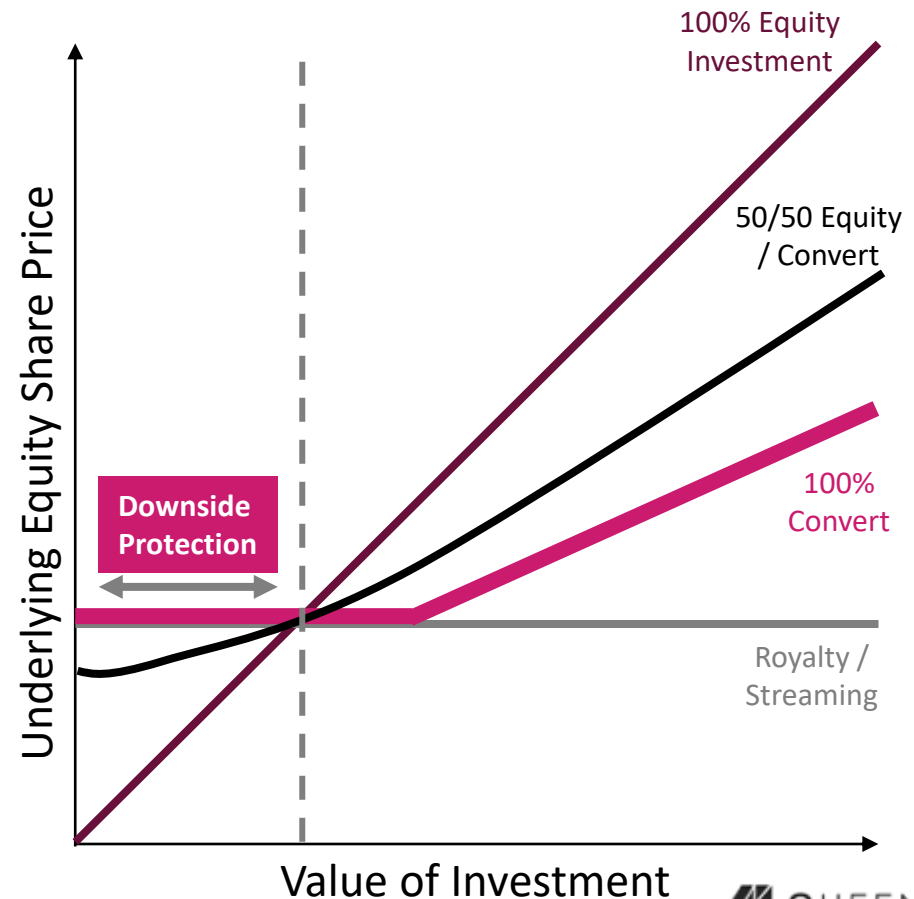


# Why Focus on Converts?

	Convert Co	Royalty / Streaming Co	Mining / Exploration Co
Leverage to Commodity Prices	X	X	X
Diverse Asset Base	X	X	
No Capital / Operating Cost Exposure	X	X	
Sustainable Dividend	X	X	
Low Overhead / G&A Cost Model	X	X	
Income Regardless of Production	X		
Upside from Underlying Equity	X		X
Principal Repayment at Maturity	X		
Portfolio Refresh at Maturity	X		

# The Convert Model

- Investments in convertible debentures offer:
  - Downside protected as debt structure ranks ahead of shareholders
  - Full equity upside above the conversion price
  - Income regardless of macro / operating metrics during life on convert (interest coupon)
  - Repayment of principal at maturity



# Equity Raise vs. Convert Issuance

- For successful issuers, a convert makes a lot more financial sense than a brokered equity raising as the dilution negatively impacts significantly more than the coupon.

	Equity	Convert
Share Price at Issuance	\$1.00	\$1.00
Equity Raise Price	\$0.85	--
Conversion Price	--	\$1.30
Commission/Establishment Fee	6%	3%
Coupon Rate	--	8%
Shares Issued (\$15m raise)	17.6m	11.5m
Fees Paid (\$)	\$0.9m	\$0.45m
Interest Paid (p.a.)	--	\$1.2m
Dilution at \$2.00 share price	(\$6.1m)	
Dilution at \$3.00 share price	(\$12.2m)	

# Dividend Paying Company

- QRC returns all excess operating income to investors through annual dividends
  - Strong shareholder participation in the Dividend Reinvestment Plan (DRIP) – a testament of investors’ appreciation for QRC’s business model and growth prospects
  - DRIP funds used to repurchase shares in the market under a Share Repurchase Program (SRP) – allows QRC to re-allocate money from disengaged shareholders to long-term supportive shareholders

	2021	2022
<b>Declared Dividend</b>	<b>C\$0.015</b>	<b>C\$0.017</b>
<b>Dividend Yield (at time of announcement)</b>	<b>2.0%</b>	<b>2.7%</b>
<b>Total Dividend Paid</b>	<b>C\$4.3m</b>	<b>C\$7.6m</b>
<b>DRIP Participation</b>	<b>74%</b>	<b>90%</b>
<b>DRIP Shares Issued</b>	<b>4.4m</b>	<b>9.6m</b>
<b>DRIP \$ Allocated to SPR for Next 12mths</b>	<b>C\$3.2m</b>	<b>C\$6.8m</b>
<b>Shares Repurchased under SRP During Following 12mths</b>	<b>3.4m</b>	
<b>Total Cost of SRP During Following 12mths</b>	<b>C\$2.0m</b>	

# Investment Portfolio



<b>Ticker</b>	<b>Share Price</b>
NXE.TO	C\$5.00
<b>Market Cap</b>	
US\$1,746m	

NexGen is a uranium development company that owns & operates the Arrow uranium deposit located in Saskatchewan, Canada. Arrow is the world's largest to-be-developed high-grade uranium deposit with a indicated mineral resource estimate of 179.5 mlbs U<sub>3</sub>O<sub>8</sub> grading 6.88% U<sub>3</sub>O<sub>8</sub>.

NexGen is currently advancing permitting at Arrow.

## May 2020: US\$15m convertible security + US\$15m equity private placement

- 1. US\$15 million convertible debenture**
  - 7.5% annual coupon payable 1/3 in shares & 2/3 in cash
  - Convertible in NXE shares at C\$2.34/share
  - 5-year term (May 2025)
  - Payment of 3% establishment fee (in shares – 348,350 shares)
- 2. US\$15 million equity private placement**
  - 11,611,667 shares @ C\$1.80



# Investment Portfolio



Ticker	Share Price
ISO.V	C\$2.70
Market Cap	
US\$198m	

IsoEnergy is a uranium development company that owns & operates the Hurricane uranium discovery located in Saskatchewan, Canada. Hurricane is the most exciting uranium discovery in the Athabasca basin since Arrow was discovered in 2014 with a indicated mineral resource estimate of 48.6 mlbs  $U_3O_8$  grading 34.5%  $U_3O_8$ .

IsoEnergy is beginning soon its Summer 2023 drilling campaign at Hurricane.

## August 2020/December 2022: US\$10m convertible debenture investments

### 1. US\$10 million convertible debentures

- 9.1% annual coupon payable 2.5% in shares & 6.6% in cash
- Coupon will decrease to 7.5% on US\$6 million portion upon release of a PEA at Hurricane
- US\$6m Convertible in ISO shares at C\$0.88/share; 5-year term (August 2025)
- US\$4m Convertible in ISO shares at C\$4.33/share; 5-year term (December 2027)
- Payment of 3% establishment fee (US\$120,000 + 219,689 shares)



# Investment Portfolio



<b>Ticker</b>	<b>Share Price</b>
ADT.AX	A\$3.71
<b>Market Cap</b>	
US\$505m	

Adriatic Metals is a silver-zinc development company that is developing the 100%-owned Vares project located in Bosnia & Herzegovina. Vares is a high-grade silver rich (~50% of revenue from precious metals) deposit located near surface in a historical mining camp with established infrastructure.

Construction at Vares is underway with first production due in Q4-2023.

## December 2020: US\$20m convertible debenture investment

- 1. US\$20 million convertible debenture**
  - 8.5% annual coupon payable in cash
  - Convertible in ADT shares at A\$2.7976/share
  - 4-year term (November 2024)
  - Payment of 3% establishment fee in cash (US\$600,000)
  - Concurrent to US\$8 million EBRD private placement

# Investment Portfolio



<b>Ticker</b>	<b>Share Price</b>
LA.V	C\$11.35
<b>Market Cap</b>	
US\$248m	

Los Andes is focused on developing the 100%-owned Vizcachitas copper-molybdenum porphyry project located in Chile. The Vizcachitas project is one of the largest advanced copper deposits in the Americas and is set to become Chile's next major copper mine. The project is located 150 km north of Santiago, in an area of very good infrastructure.

Los Andes is currently advancing permitting at Vizcachitas.

## June 2021/April 2022/August 2022: US\$14m convertible debenture investments

### 1. US\$14 million convertible debentures

- 8.0% annual coupon payable 3.0% in shares & 5.0% in cash
- US\$5m Convertible in LA shares at C\$10.82/share; 5-year term (May 2026)
- US\$4m Convertible in LA shares at C\$19.67/share; 5-year term (April 2027)
- US\$5m Convertible in LA shares at C\$16.75/share; 5-year term (August 2027)
- Payment of 3% establishment fee (US\$300,000 + 9,900 shares)

# Investment Portfolio



<b>Ticker</b>	<b>Share Price</b>
GOCR.V	C\$10.06
<b>Market Cap</b>	
US\$194m	

Osisko Green is a special purpose acquisition corporation (SPAC) with the purpose of effecting an acquisition of a business involved in the shift away from fossil fuels to green energy such as the mining of battery metals. Osisko Green is led by Sean Roosen, John Burzynski and Robert Wares, who have co-founded and led the Osisko Group of Companies.

Osisko Green is scheduled to complete a qualifying transaction by Q3-2023.

## September 2021: C\$21m equity investment

- 1. 2,000,000 Class A Restricted Voting Units**
  - 2,000,000 Class A shares
  - 1,000,000 Class A warrants with a C\$11.50 exercise price
- 2. 1,000,000 Funding warrants with a C\$11.50 exercise price**
- 3. 665,000 Class B Shares**

# Investment Portfolio



Contango Ore is a U.S. gold development company that owns a 30% interest in Peak Gold LLC. Peak Gold LLC, operated by 70% partner Kinross Gold, is developing the Manh Choh gold deposit in Alaska. Manh Choh is anticipated to produce in excess of 1 million ounces over a 4.5 year mine life with first gold production scheduled for 2024.

Construction at Manh Choh is underway with first production due in 2024.

Ticker	Share Price
CTGO	\$30.45
Market Cap	
US\$224m	

## April 2022: US\$20m convertible debenture investment

### 1. US\$20 million convertible debenture

- 8.0% annual coupon payable 2.0% in shares & 6.0% in cash
- Convertible in CTGO shares at \$30.50/share
- 4-year term (April 2026)
- Payment of 3% establishment fee in cash or shares at QRC election

# Investment Portfolio



<b>Ticker</b>	<b>Share Price</b>
CEL.AX	A\$0.16
<b>Market Cap</b>	
US\$119m	

Challenger Exploration is a gold exploration company that is advancing the 100%-owned Hualilan project located in San Juan province, Argentina. Hualilan is a historic high-grade gold district. In June 2022, Challenger released an initial resource at Hualilan containing 2.1 million ounces of gold.

PEA at Hualilan is due in H1-2023.

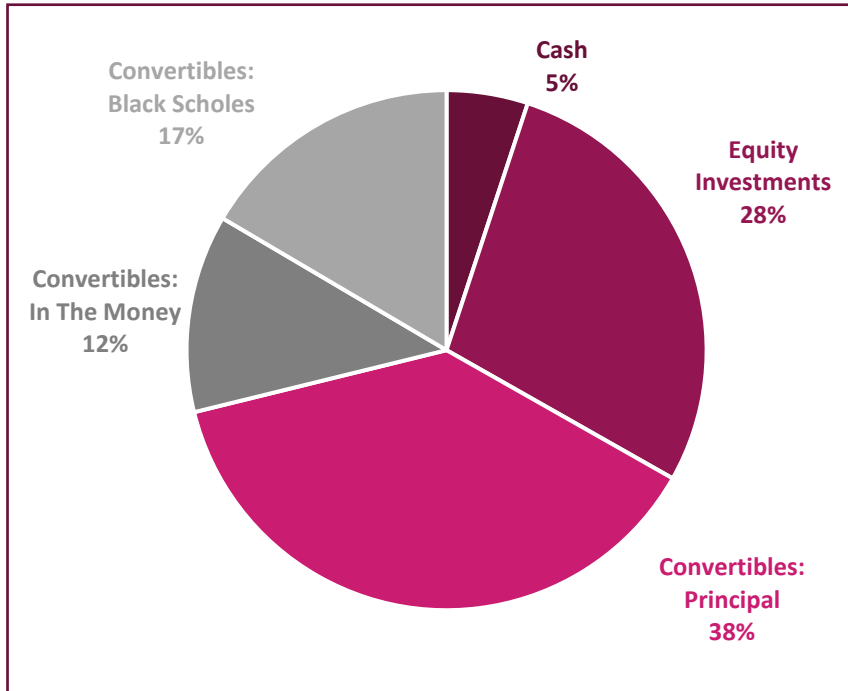
## September 2022: US\$15m convertible debenture investment

### 1. US\$15 million convertible debenture

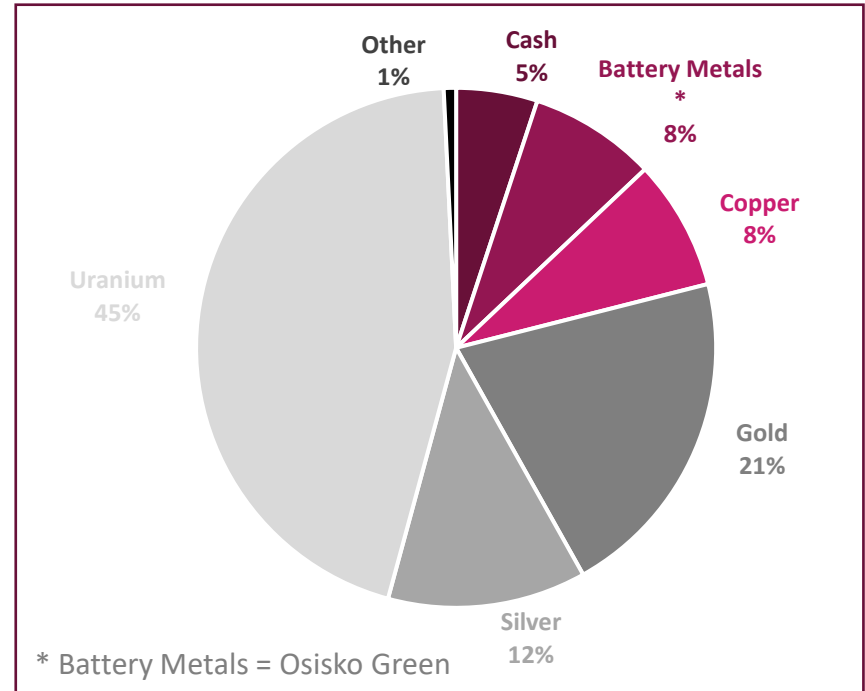
- 9.0% annual coupon payable 2.0% in shares & 7.0% in cash
- Convertible in CEL shares at A\$0.25/share
- 4-year term (September 2026)
- Payment of 3% establishment fee in shares (3,513,457 shares)
- Concurrent to US\$2.6 million BlackRock private placement

# Investment Portfolio

## Current Portfolio NAV Distribution (By Investment Type)



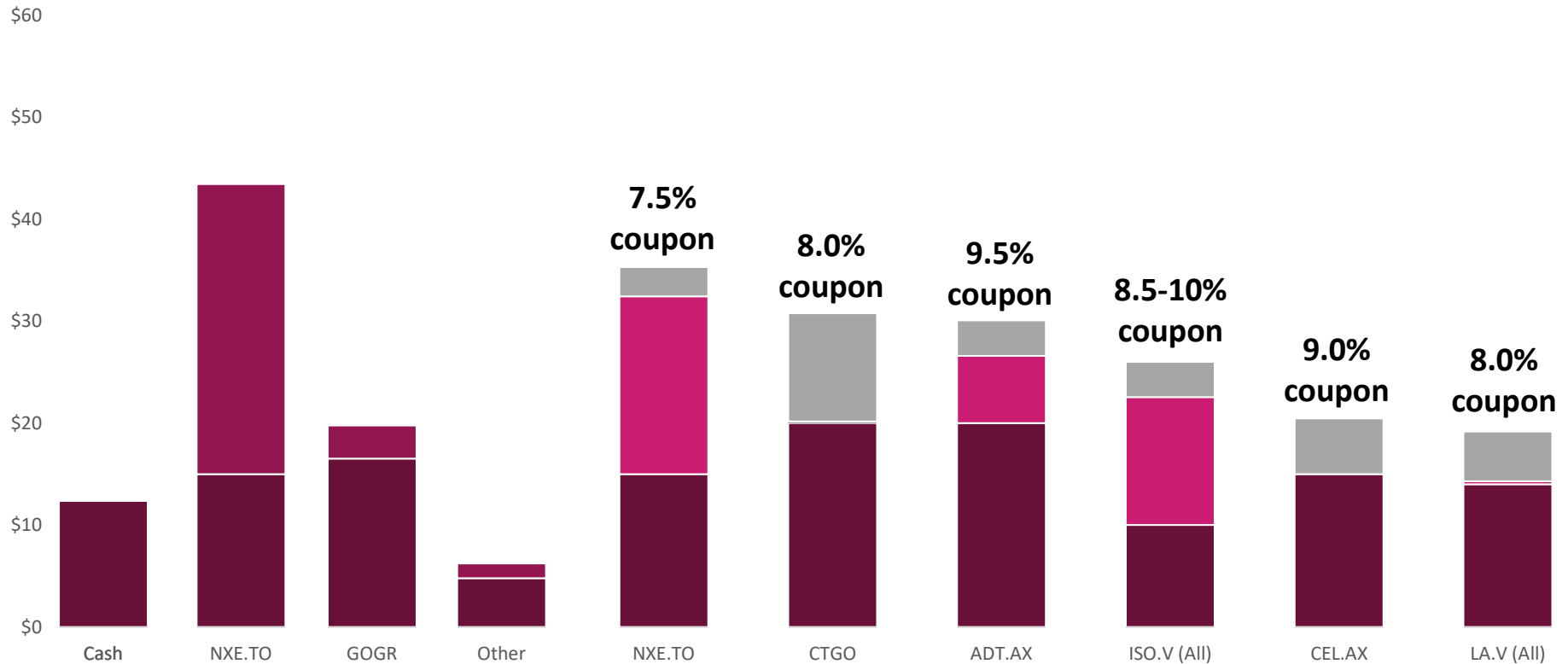
## Current Portfolio NAV Distribution (By Commodity)



# Investment Portfolio

## Cash & Equity Investments

## Convertible Debenture Investments

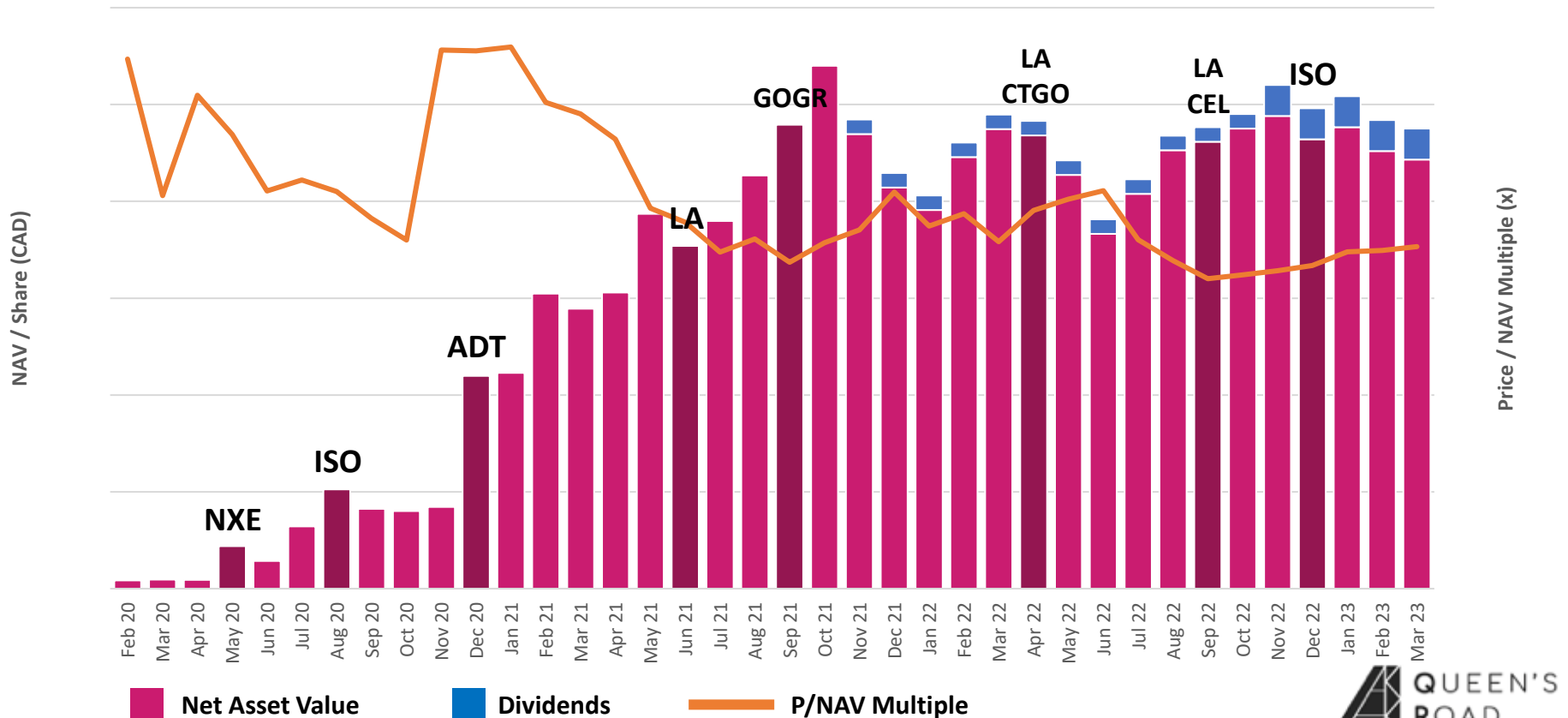


■ Initial Investment / Debt Principal   
 ■ Current Market Value of Equity  
■ In-the-Money Value of Convert   
 ■ Black Scholes Value of Convert



# Investment Portfolio

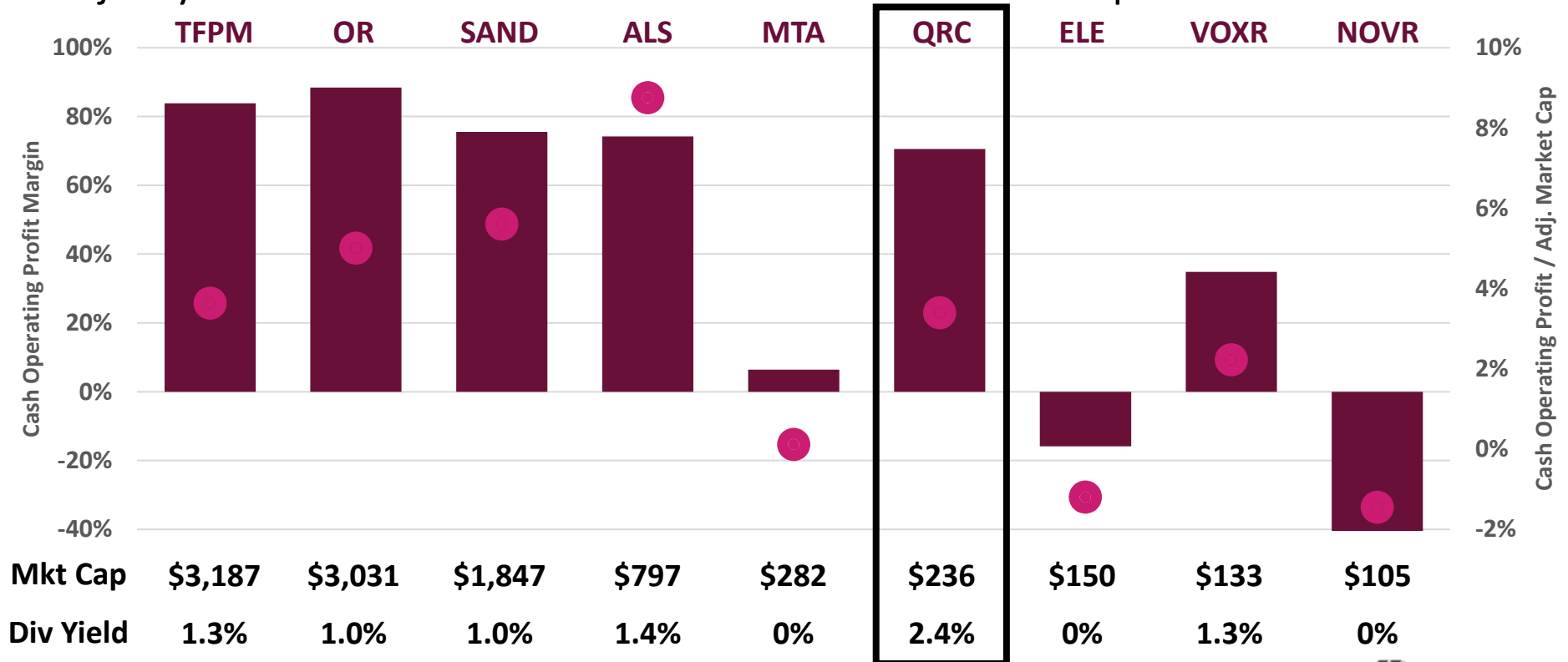
- QRC has generated unrealized gains exceeding US\$100m since its first investment in May 2020 with its NAV per share tripling over the same period.

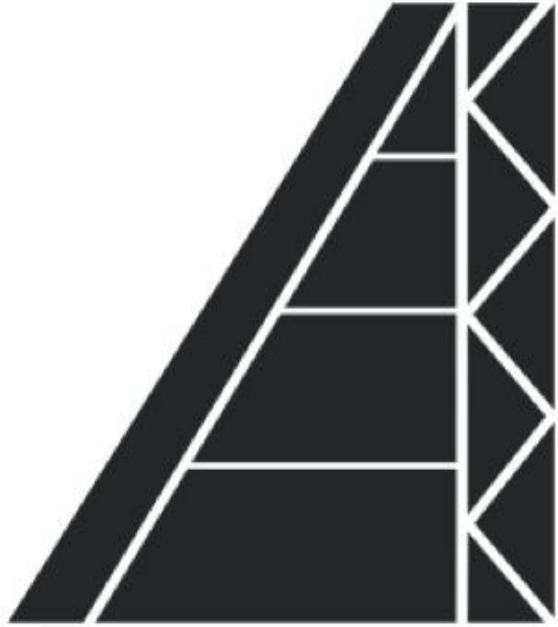




# Peer Comparison

- QRC is the only company its size that has comparable operating ratios to the mid-majors yet it trades at less than half of their valuation multiples.





QUEEN'S  
ROAD  
CAPITAL



QUEEN'S ROAD CAPITAL INVESTMENT LTD. (TSX: QRC)

Thank You!