



QUEEN'S ROAD CAPITAL INVESTMENT LTD.

ANNUAL INFORMATION FORM
For the year ended August 31, 2025

Cheung Kong Center
Suite 2006, 2 Queen's Road Central
Hong Kong

November 19, 2025

QUEEN'S ROAD CAPITAL INVESTMENT LTD.
ANNUAL INFORMATION FORM
TABLE OF CONTENTS

PRELIMINARY NOTES	1
Effective Date of Information	1
Currency	1
Non-GAAP Measures	1
Special Note Regarding Forward-Looking Information	1
GLOSSARY	4
CORPORATE STRUCTURE	5
Name, Address and Incorporation	5
Inter-corporate Relationships	5
DESCRIPTION AND GENERAL DEVELOPMENT OF THE BUSINESS	5
Three Year History	5
Year ended August 31, 2023	6
Year ended August 31, 2024	7
Year ended August 31, 2025	8
Developments Subsequent to August 31, 2025	8
Significant Acquisitions	8
DESCRIPTION OF THE BUSINESS	9
Summary of the Business	9
Competitive Conditions	14
Key Personnel	14
Lending	15
Social and Environmental Policies	16
RISK FACTORS	16
Risks Related to the Business of the Company	16
Risks Related to the Company's Securities	24
DIVIDENDS	25
DESCRIPTION OF CAPITAL STRUCTURE	25
Common Shares	25
Stock Options	25
MARKET FOR SECURITIES	26
Market	26
Trading Price and Volume	26
Prior Sales	26
ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER	26
DIRECTORS AND OFFICERS	27
Cease Trade Orders, Bankruptcies, Penalties or Sanctions	28
Conflicts of Interest	28
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	29
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	29
TRANSFER AGENT AND REGISTRAR	30
INTEREST OF EXPERTS	30
ADDITIONAL INFORMATION	30
AUDIT COMMITTEE	31
SCHEDULE A	A-1

**ANNUAL INFORMATION FORM
QUEEN'S ROAD CAPITAL INVESTMENT LTD.**

PRELIMINARY NOTES

Effective Date of Information

The information contained in Queen's Road Capital Investment Ltd.'s annual information form ("**AIF**" or "**Annual Information Form**") is presented as of August 31, 2025, unless otherwise stated herein. Unless the context otherwise requires, all references to the "**Company**", "**QRC**", "**we**" or "**us**" shall mean Queen's Road Capital Investment Ltd.

Currency

Unless specified otherwise, all references in the AIF to "\$" are to United States of America dollars, all references to "A\$" are to Australian dollars, all references to "£" are to British pounds, and all references to "C\$" are to Canadian dollars.

Non-GAAP Measures

The AIF includes the non-International Financial Reporting Standards ("**IFRS**") Accounting Standards management measure of estimated market value of investments, which differs from the standardized measurement prescribed under IFRS Accounting Standards and used for the purposes of the Company's financial statements. Management's measurement may not be comparable to similar measures presented by other entities. This non-Generally Accepted Accounting Practice ("**GAAP**") measure should not be considered to be more meaningful than GAAP measures, which are determined in accordance with IFRS Accounting Standards. The reconciliation of management's estimated market value of investments to the estimated fair value of investments, pursuant to IFRS 13 *Fair Value Measurement* in the consolidated financial statements, is set out under "Investments at Estimated Fair Value".

Special Note Regarding Forward-Looking Information

Certain statements in this AIF which are not historical in nature constitute "forward looking statements" within the meaning of that phrase under applicable Canadian securities law. These statements include, but are not limited to, statements or information concerning the Company's investments, statements or information concerning the Company's growth strategy and the Company's future performance and business prospects and opportunities. These statements reflect management's current assumptions and expectations and by their nature are subject to certain underlying assumptions, known and unknown risks and uncertainties and other factors which may cause actual results, performance or events to be materially different from those expressed or implied by such forward looking statements.

Forward-looking information can often 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 state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward-looking information is necessarily based on the Company's assumptions as to certain factors such as future currency exchange rates, future interest rates, and while the Company's believes that its assumptions regarding these factors are reasonable, the assumptions may nonetheless prove to be incorrect. Forward looking

information also involves known and unknown risks and uncertainties 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 information. There can be no assurance that such risk factors will not cause actual results to differ materially from those anticipated.

Important assumptions and risks that could cause actual results to differ materially from the Company's expectations are described in the Company's documents filed from time to time with the applicable regulatory authorities and such factors include, but are not limited to:

- the following assumptions:
 - **Share prices:** changes in the share price of an investee company may impact the value of the Company's investments which are generally linked to a positive share price performance during the term of the investment;
 - **Commodity prices:** changes in the relevant commodity prices to an investee company's material assets may impact the value of the Company's investments as it may impact the value of an investee company's assets;
 - **Exchange rates:** changes in the exchange rates of the functional currencies of investee companies may impact the value of the Company's investments;
 - **Interest rates:** changes in underlying risk-free interest rates may impact the value of the Company's investments as the underlying discount rate is linked to the investee companies' country's interest rate;
 - **Balance sheet strength:** changes in an investee company's financial strength may impact the value of the Company's investments as it is important to ensure that an investee company can meet its obligations under the terms of the Company's investments; and
 - **Operating assets:** material changes at the asset level (operating, permitting or other) of an investee company's may impact the value of the Company's investments if it changes the investee company's ability to meet its obligations under the terms of the Company's investments.
- the following risks:
 - **Portfolio exposure and sensitivity to macro-economic conditions:** given the nature of the Company's proposed investment activities, the results of operations and financial condition of the Company will be dependent upon the market value of the securities that will comprise the Company's investment portfolio, macro factors such as fluctuations in global political and economic conditions could negatively affect the Company's portfolio of investments;
 - **Changes in commodity prices:** as an investor in companies in the resource sector, the price of QRC's Common Shares may be indirectly but significantly affected by declines in commodity prices;
 - **Natural resource sector risks:** investing in natural resource corporations can be speculative in nature and the value of the Company's investments may be subject to significant fluctuations;
 - **The Company has no control over exploration, development or mining operations:** The inability of the Company to control the activities of the resource issuers in which it has invested may result in a material adverse effect on the results of operations of the Company and its financial condition;
 - **Dependence on key personnel:** the Company is dependent on the services of a small number of key management personnel. The ability of the Company to manage its activities and its business will depend in large part on the efforts of these individuals, in particular, Warren Gilman, the Company's Chief Executive Officer and a director, whose industry relationships and experience are critical to the Company's success;
 - **Cash flow and revenue:** the Company's revenue and cash flow will be generated primarily from financing activities, interest payments, dividends, royalty payments on investment and proceeds from the disposition of investments. The availability of these sources of income and the amounts generated from these sources are dependent upon various factors, many of which are outside of

- the Company's direct control;
- **Private issuers and illiquid securities:** the Company may invest in securities of private issuers, illiquid securities of public issuers and publicly-traded securities that have low trading volumes. This may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments; and
 - **Available opportunities and competition for investments:** the Company competes with other companies for investments. Other companies may have greater resources than the Company. Any such competition may prevent the Company from being able to secure new investments;
 - and other risks and uncertainties referred to under the heading "Risk Factors" in this AIF.

Although the Company has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described 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 forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking information is made as of the date of this AIF.

With regard to all information included herein relating to companies in the Company's investment portfolio, the Company has relied on information provided by the investee companies and on publicly available information disclosed by the respective companies.

GLOSSARY

In this AIF, unless otherwise defined or unless there is something in the subject matter or context inconsistent therewith, the following terms have the meanings set forth herein or therein:

“**AIF**” or “**Annual Information Form**” means this annual information form and any appendices, schedules or attachments hereto;

“**BCBCA**” means the *Business Corporations Act* (British Columbia), C-57, as amended;

“**Common Share**” means a share in the capital of the Company;

“**Companies Law**” means the *Companies Law* of the Cayman Islands;

“**Company**” means Queen’s Road Capital Investment Ltd.;

“**GAAP**” means Generally Accepted Accounting Practices

“**IFRS**” means International Financial Reporting Accounting Standards as issued by the International Accounting Standard Board;

“**QRC**” means the Company;

“**TSX**” or “**Exchange**” means the Toronto Stock Exchange;

“**U.S.**” or “**United States**” means the United States of America, any state thereof, and the District of Columbia;

Words importing the singular number, where the context requires, include the plural and vice versa and words importing any gender include all genders.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the name “Barisan Gold Corporation” in British Columbia, Canada pursuant to the provisions of the BCBCA on January 25, 2011, with an authorized capital of an unlimited number of Common Shares without par value. On January 28, 2020, the Company changed its name to “Queen’s Road Capital Investment Ltd.”

On January 29, 2020, the Company continued out of British Columbia, Canada and was registered by way of continuation as an exempted company limited by shares in the Cayman Islands pursuant to the Companies Law, having a authorized share capital of 5,000,000,000 shares of par value of C\$0.001 each. As of January 15, 2025, the Company completed a share consolidation of the Company’s issued and outstanding shares (the “**Share Consolidation**”) at a consolidation ratio of ten (10) pre-consolidation common shares for every one (1) post-consolidation common share. The current authorized share capital is C\$5,000,000 divided into 500,000,000 shares of par value of C\$0.01 each (the “**Common Shares**”). In accordance with IFRS Accounting Standards, the change has been applied retrospectively and as a result disclosures of common shares, per common share data, and data relating to stock options in this AIF reflect this Share Consolidation for all periods presented unless otherwise specified.

The Common Shares are listed on the TSX under the trading symbol “QRC”. The Company’s head office is located at Cheung Kong Center, Suite 2006, 2 Queen’s Road Central, Hong Kong. The registered office of the Company is located at the offices of Conyers Trust Company (Cayman) Limited, SIX, 2nd Floor, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

Inter-corporate Relationships

The Company has a wholly-owned subsidiary, QRC NexGen Investment Ltd., registered in the Cayman Islands on July 12, 2021.

DESCRIPTION AND GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

The Company is a dividend paying resource-focused investment company, making investments in privately held and publicly-traded resource companies. The Company acquires and holds securities for long-term capital appreciation, with a focus on convertible debt securities of issuers having resource projects in advanced development or production located in safe jurisdictions.

Significant business, operations and management developments for the Company over the three most recently completed fiscal years are as follows.

Year ended August 31, 2023

\$5 Million Follow-On Investment in Los Andes Copper Ltd. (TSXV-LA)

On September 4, 2022, the Company completed the purchase of an additional \$5 million convertible debenture in Los Andes. Key terms of the Los Andes investment include:

- 8.0% interest payable quarterly – 5% in cash and 3% in Los Andes common shares;
- 5-year maturity; and
- Debenture convertible into Los Andes common shares at C\$16.75 per share.

QRC earned a 3% establishment fee on the Los Andes debenture, which was paid in cash.

\$15 Million Investment in Challenger Gold Ltd. (ASX-CEL)

On September 12, 2022, the Company completed the purchase of a \$15 million convertible debenture in Challenger Gold Ltd. (previously Challenger Exploration Ltd.) (“**Challenger**”). Key terms of the Challenger investment include:

- 9.0% interest payable quarterly – 7% in cash and 2% in Challenger common shares;
- 4-year maturity; and
- Debenture convertible into Challenger common shares at A\$0.25 per share.

QRC earned a 3% establishment fee on the Challenger debenture, which was paid in shares.

Declaration & Payment of Dividend

On October 18, 2022, the Company declared its second annual dividend of C\$0.17 per share to all shareholders on record as of November 7, 2022. The dividend was paid on November 17, 2022.

\$4 Million Follow-On Investment in IsoEnergy Ltd. (TSXV-ISO)

On December 6, 2022, the Company announced a \$4 million follow-on investment in IsoEnergy Ltd. (“**IsoEnergy**”). Key terms of the IsoEnergy investment include:

- 10.0% interest payable semi-annually – 7.5% in cash and 2.5% in IsoEnergy shares;
- 5-year maturity; and
- Debenture convertible into IsoEnergy common shares at C\$4.33 per share.

QRC earned a 3% establishment fee on the IsoEnergy debenture, which was paid in cash.

Year ended August 31, 2024

\$70 Million Investment in NexGen Energy Ltd. (TSX-NXE)

On September 22, 2023, the Company completed the purchase of a new \$70 million convertible debenture issued by NexGen Energy Ltd. (“**NexGen**”). Key terms on the NexGen investment include:

- 9.0% interest payable semi-annually – 6.0% in cash and 3.0% in NexGen common shares;
- 5-year maturity; and
- Debenture convertible into NexGen common shares at \$6.76 per share.

QRC earned a 3% establishment fee on the principal amount of the NexGen debenture, which was settled in NexGen common shares.

The Company sold 8,700,000 NexGen common shares to Washington H. Soul Pattinson and Company Limited for \$5.20 per common share on September 22, 2023, and used cash on hand to fund the investment. The Company also converted its existing \$15 million convertible debenture issued by NexGen on May 27, 2020, at the conversion price of C\$2.34 per share on September 28, 2023 and received 8,663,461 NexGen common shares.

\$30 Million Investment in Gold Royalty Corp. (NYSE American -GROY)

On December 15, 2023, the Company completed the purchase of \$30 million convertible debentures issued by Gold Royalty Corp. (“**Gold Royalty**”). Key terms of the Gold Royalty investment include:

- 10.0% interest payable semi-annually - 7.0% in cash and 3.0% in Gold Royalty common shares;
- 5-year maturity; and
- Debentures convertible into Gold Royalty common shares at \$1.90 per share.

QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in cash. The investment was funded by a secured bank loan of \$22.5 million and cash on hand.

\$20 Million Investment in Moxico Resources plc (Unlisted)

On July 17, 2024, the Company purchased US\$20 million convertible debentures issued by Moxico Resources plc (“**Moxico**”). Key terms of the Moxico investment include:

- 11.0% interest payable semi-annually - 7.5% in cash and 3.5% in Moxico common shares;
- 5-year maturity; and
- Debentures convertible into Moxico common shares at GBP0.90 per share.

QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in cash. The investment was funded by debt facilities.

Year ended August 31, 2025

\$40 Million Additional Investment in Moxico Resources plc (Unlisted)

The Company made further purchases of \$40 million in convertible debentures issued by Moxico, in five installments from October 2024 to June 2025, bringing the total investment in convertible debentures issued by Moxico to \$60 million at August 31, 2025. The convertible debentures all have the same terms with a maturity on July 17, 2029.

QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in cash on \$20 million principal and in common shares of Moxico on \$20 million principal. The investments were funded by debt facilities.

C\$15 Million Private Placement

On September 18, 2024 the Company completed a non-brokered private placement of 2,142,857 shares at C\$7.00 per share for gross proceeds of C\$15 million. The private placement included shares issued to two related parties: Corom Pty Ltd., a company controlled by a relative of a director of the Company and a significant shareholder purchased 553,022 common shares; and a director of the Company, purchased 485,714 common shares. BBFIT Investments Pte Ltd., a significant shareholder, purchased 397,142 common shares.

Declaration and Payment of Dividend

On October 11, 2024, the Company declared its annual dividend of C\$0.21 per share to all shareholders on record as of November 4, 2024. The dividend was paid on November 14, 2024.

Developments Subsequent to August 31, 2025

\$10 Million Additional Investment in Moxico Resources plc (Unlisted)

The Company purchased an additional \$10 million convertible debentures issued by Moxico on September 11, 2025, bringing the total investment in convertible debentures issued by Moxico to \$70 million at the date of this report. The convertible debentures all have the same terms with a maturity on July 17, 2025. QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in common shares of Moxico.

Declaration and Payment of Dividend

On October 14, 2025, the Company declared its annual dividend of C\$0.23 per share to all shareholders on record as of November 3, 2025. The dividend was paid on November 13, 2025.

Significant Acquisitions

The Company has made no significant acquisitions for which disclosure is required under Part 8 of National Instrument 51-102.

DESCRIPTION OF THE BUSINESS

Summary of the Business

The Company is a dividend paying resource focused investment company, making investments in privately held and publicly traded resource companies. The Company acquires and holds securities for long-term capital appreciation, with a focus on convertible debt securities and resource projects in advanced development or production located in safe jurisdictions.

Investments

The Company has adopted an investment policy (the “**Investment Policy**”) to govern the Company’s investment activities which provides, among other things, the investment objectives and strategy based on the fundamental principles set out below. A copy of the Investment Policy is posted on the Company’s website and filed on SEDAR+.

Investment Objectives

The Company invests primarily in public and privately held companies, primarily in the natural resource sector, with the objective of increasing shareholder return while seeking to preserve capital and limit downside risk by focusing on opportunities with attractive risk to reward profiles. The Company seeks to identify investments by utilizing the experience and expertise of its Management and Board. The Company seeks out superior investments that may include the acquisition of shares, equity, debt, convertible securities, royalty arrangements or streaming arrangements for public or private corporations with a focus on convertible debt securities.

Investment Strategy

In light of the numerous investment opportunities across the entire natural resources sector, the Company aims to adopt a flexible approach to investment targets without placing unnecessary limits on potential returns on its investment. This approach is demonstrated in the Company’s investment strategy set out below.

- The Company invests in the securities of both public and private natural resource companies and may take part in private or public offerings for predetermined equity positions, royalties, debt or convertible or preferred securities.
- Initial investments of debt, equity or a combination thereof may be made in public or private companies through a variety of financial instruments including, but not limited to, private placements, participation in initial public offerings, bridge loans, secured loans, unsecured loans, convertible debentures, warrants and options, royalties, net profit interests and other hybrid instruments.
- Investment arrangements may include a combination of securities including, but not limited to equity, debt, convertible debentures, warrants, preferred shares, bridge financing, collateral, royalty arrangements or other securities as deemed appropriate by the Company’s Management and in compliance with the Investment Policy. In certain cases, the Company expects to enter into oversight arrangements as a condition of the investment. Oversight may range from Board appointments, advisory positions, or management consulting positions with the target companies.
- The Company may purchase or sell securities on public exchanges.
- The Company reserves the right to acquire all or part of other businesses or assets of a target company that management believes will enhance the value for shareholders. The Company will place no formal limit on the size of potential investments and may require future equity or debt financings to

raise money for specific investments.

- The Company may make investments in extra-ordinary activities, or activities not in the normal course of business, which may include but not be limited to mergers, acquisitions, corporate restructurings, spin-offs, take-overs, bankruptcies or liquidations, public listings, leveraged buyouts or start-ups. The Company may elect to invest in such events, provide financing, or purchase securities in exchange for fees, interest or equity positions.
- The majority of investments are expected to have a life of investment of four to five years; however, the Company may also invest in opportunities that could provide longer-term capital appreciation.
- Depending on market conditions, the Company intends to fully invest its available capital, apart from maintaining capital to cover operating expenses.
- The Company will seek to maintain the ability to actively review and revisit all of its investments on an ongoing basis.
- The Company will evaluate the liquidity of investments and seek to realize value from same in a prudent and orderly fashion.
- All investments will be made in compliance with applicable laws in relevant jurisdictions and in compliance with any associated exchange policy.

Management, the Investment Committee, or the Board of the Company may authorize investments outside the guidelines described above if they feel the investment is for the benefit of the Company and its shareholders.

Investment Selection, Evaluation and Decision Making Process

The Company will pursue opportunities referred through investment banks, venture capital firms, legal and accounting firms and its professional network, and will gather insight into each opportunity, including its business model, financial prospects, management team, and the use of funds.

Management will research each investment target and will analyze and review opportunities with each target and provide a recommendation to the Board as a whole and to the Investment Committee. The Board has delegated the authority to make the final investment decision to the Investment Committee in respect of any opportunity recommended by the Board to the Investment Committee.

Research activities undertaken by management will include gathering complete details about the target company's business strategy, financial history, management team, growth objectives, products, markets, competitive forces, and capital requirements.

Management will oversee the due diligence activities. When deemed necessary, the Company may augment its review activities by outsourcing research requirements on specific investment opportunities to independent firms (accounting/financial, legal or industry analysts) that have professional relationships with the Company. Management will assess the financing needs of the target company in order to determine if the opportunity is compatible with the investment returns specific to the Company's investment criteria. The result of Management's review will conclude with a recommendation to the Board indicating if the Company should consider an investment in the target company. Management recommendations may range from:

- continuing to consider investment,
- recommending not to invest,
- considering investment with certain agreement covenants, and
- working with the target company in an advisory capacity in an effort to ready the target company for an investment at a later date.

Composition of Investment Portfolio

The Company invests the majority of its funds in the securities of resource companies. Investments made by the Company may take different forms, including equity, debt, convertible debentures, royalties and metal streaming, although the Company is primarily focused on convertible debt securities.

As of the date of this report, the Company has invested a total of \$223 million in convertible debentures issued by seven resource companies as presented in the table below.

Resource Company	Investment Base at Cost US\$000
Contango ORE, Inc.	\$20,000
Gold Royalty Corp.	\$30,000
Moxico Resources plc	\$70,000
NexGen Energy Ltd.	\$70,000
Other companies ⁽¹⁾	\$33,000
	\$223,000

(1) Several convertible debentures issued on various dates.

Management's Estimated Market Value of Investments

The Company has investments in listed and unlisted issuers and as such the market value of these investments moves with the share prices of the investee issuers. As most of the Company's investments are in convertible debt securities, the Company is less exposed to the risk of fluctuations in the market price of the equity securities than it would be if it invested in those equity securities directly.

US\$000	November 12, 2025
Equity and other investments ⁽¹⁾ :	
NexGen Energy Ltd.	88,708
Other equity investments ⁽²⁾	52,694
	141,402
Convertible debentures ⁽³⁾ :	
Contango ORE, Inc.	25,853
Gold Royalty Corp.	64,938
Moxico Resources plc	103,932
NexGen Energy Ltd.	112,175
Other convertible debentures	35,337
	342,235
Total Estimated Market Value	483,637

(1) Market Value was based on share prices and exchange rates on November 12, 2025.

(2) Other equity investments include (a) securities purchased for investment purposes; (b) securities received as establishment fees and in settlement of interest receivable held for investment purposes that had no original investment cost to the Company; and (c) shares held as a result of conversion of certain convertible debentures held for investment purposes.

(3) Convertible debentures are stated at principal plus accrued interest with the option valued using the Black-Scholes methodology.

Reconciliation of Management's Estimated Market Value of Investments to Investments at Estimated Fair Value (an IFRS measure)

As required by IFRS Accounting Standards, fair value of equity investments as shown in the audited consolidated financial statements is estimated based on the closing market price of the relevant equity investment. Pursuant to IFRS 13 Fair Value Measurement, fair value of the convertible debentures as shown in the audited consolidated financial statements is estimated using a valuation model of a system of two coupled Black-Scholes equations and partial differential equations that are solved simultaneously using finite-difference methods. The fair value for a convertible debt instrument may be below the principal amount of such convertible debt instrument due to the methodology employed to derive such fair value. This does not have any implications in relation to the solvency of the issuer. The fair value is to comply with IFRS Accounting Standards only.

The Company's management estimated market value of these investments is detailed in the section above titled "Management's Estimated Market Value of Investments". Management believe that the market value of the investments provides a useful indication of the underlying value of the investment portfolio, particularly for the convertible debentures which are stated without the adjustment applied to volatility required to equate the initial estimated valuation to the estimated fair value of consideration exchanged in accordance with IFRS Accounting Standards.

The reconciliation of the IFRS Accounting Standards estimated fair value of investments, the most directly comparable financial measure from the consolidated financial statements to management's estimated market value of investments is set out below:

Market Value of Investments	
	\$000
Estimated fair value under IFRS Accounting Standards at August 31, 2025	402,260
Convertible debentures - difference in models used and volatility assumptions due to initial calibration of fair value with purchase price under IFRS Accounting Standards	48,498
Management's Estimate of market value at August 31, 2025	450,758
<i>Equity investments</i> – other shares received less disposals	941
<i>Equity investments</i> - update of market value to date of report	9,021
<i>Convertible debentures</i> - update of market value to date of report	8,069
<i>Convertible debentures</i> – new investments at market value at date of report	14,848
Management's Estimate of market value of investments at date stated in AIF	483,637

Income Generation

The Company generates income from its investments in three main forms: (a) interest income from its convertible securities, (b) capital gains/losses from the disposal of its investments and (c) fees earned as part of its investments.

a) Interest income

The Company receives interest income from its investments in convertible securities on a quarterly or semi-annual basis, depending on the specific terms of each investment. Some of the Company's investments settle a portion of the interest payment in the form of equity.

Annual interest income on the investments in convertible debentures held as at the date of this AIF would be approximately \$22 million.

b) Capital gains (losses)

The Company may generate income from capital gains/losses through the sale of its investments. Capital gains/losses could come in the form of (a) sale of any equity investments, (b) sale of any convertible security investments or (c) sale of any equity shares received as settlement of interest income.

c) Fees

The Company may generate income from fees earned as part of its investments. The Company has earned establishment fees when it completed the convertible securities investments made to date. Establishment fees have been paid either in cash or shares.

Competitive Conditions

Global resource companies have access to numerous sources of capital to fund their activities. QRC competes with other providers of capital to resource companies, including equity investors, debt investors, royalty companies and streaming companies.

QRC focuses on a specific niche within the resource sector, being investments in convertible debenture securities. QRC believes that its focus on convertible debt securities has the following competitive advantages when serving resource issuers: lower dilution to the equity of the resource issuer due to the conversion feature of the convertible debentures being fixed at a premium to the market price of the underlying equity securities on the date of issuance of the convertible debenture and providing a lower cost of debt capital to the resource issuer than would typically be available, if at all, at this stage of development.

See also “Risk Factors”.

Key Personnel

Warren Gilman- Chief Executive Officer

Mr. Gilman serves as the Company’s Chief Executive Officer. Mr. Gilman, a mining engineer, has more than 30 years of experience as a deal maker in the metals and mining sector. He was a founder of the Canadian Imperial Bank of Commerce (“CIBC”) Global Mining Team in Toronto in 1988. He subsequently led the team’s efforts out of Australia and Hong Kong. During his time with CIBC, Mr. Gilman was responsible for some of the largest equity capital markets financings in Canadian mining history. From 2011, Mr. Gilman led CEF Holdings Ltd., a global mining investment company, owned 50% by CIBC and 50% by CK Hutchison Holdings Ltd. Through his significant prior involvement with mining issuers, Mr. Gilman has gained experience with reviewing financial statements and related management discussion and analysis, and discussing financial issues with management, accountants and auditors, and as a result, he possesses the understanding of accounting principles and the ability to analyze and evaluate the financial statements of the Company. Mr. Gilman obtained his B.Sc. in Mining Engineering at Queen’s University and his MBA from the Ivey Business School at Western University.

The Company is provided Mr. Gilman’s services as its Chief Executive Officer (“CEO”) through a contract between the Company and Queen’s Road Central Capital Ltd. (“Central”) dated January 29, 2020, in consideration for the payment to Central of a base fee of \$500,000 per annum for the services of the CEO and other management services. Central is also eligible to receive bonuses at the discretion of the Company’s Board, and grants of incentive stock options. If the agreement is terminated by the Company without cause, Central is entitled to payment of one year of the base fee plus an amount equal to the average bonus paid under the agreement in the preceding two years, if any. If the agreement is terminated without cause in the 12 months following a change of control, the termination payment is increased to two years of the base fee plus an amount equal to two years of the average bonus paid under the agreement in the preceding two years, if any. In both cases, all unvested options held by Central vest and may be exercised until the end of their original term.

Alex Granger – President

Mr. Granger serves as the Company's President. From 2010 to 2016, he served as Chief Executive Officer of Barisan Gold Corp., a predecessor to the Company. Mr. Granger has fifteen years of experience in the investment banking and capital market industry covering the metals and mining sector. Ten of those years were spent in the Asia Pacific region with CIBC covering companies based in East Asia and Australia. Through his significant prior involvement with mining issuers, Mr. Granger has experience with reviewing financial statements and related management discussion and analysis, and discussing financial issues with management, accountants and auditors, and as a result, he possesses the understanding of accounting principles and the ability to analyze and evaluate the financial statements of the Company. Mr. Granger holds a Bachelor of Commerce degree from McGill University.

The Company is provided the services of Mr. Granger through a contract between the Company and Xela Environment Ltd. ("Xela") dated January 29, 2020, in consideration for the payment to Xela of a base fee of \$275,000 per annum. The other terms of this consulting agreement are the same as those between the Company and Central.

Vicki Cook – Chief Financial Officer

Ms. Cook serves as the Company's Chief Financial Officer. Ms. Cook has worked in various roles for Hutchison Whampoa Limited ("HWL"), a predecessor to CK Hutchison Holdings Limited, over an 18-year period. HWL is a multinational conglomerate, part of the Cheung Kong Group of Companies founded by Mr. Li Ka-shing. Ms. Cook was also a consultant to Cathay Pacific Airways Limited for ten years. Ms. Cook holds a Master's degree in Zoology from Oxford University. She is a Chartered Accountant with the Institute of Chartered Accountants in England and Wales and a Fellow of the Hong Kong Institute of Certified Public Accountants.

The consulting agreement dated May 1, 2021, between the Company and Ms. Cook requires the Company to pay Ms. Cook US\$220,000 per annum for services provided to the Company. The other terms of this consulting agreement are similar to those between the Company and Central.

Lending

The Company is a dividend paying, resource focused investment company, making investments in privately held and publicly traded resource companies. The Company acquires and holds securities for long-term capital appreciation, with a focus on convertible debt securities and resource projects in advanced development or production located in safe jurisdictions.

A majority of the Company's investments are in the form of convertible securities whereby resource companies issue convertible debentures to the Company to raise capital to fund their operations. The terms of the convertible debentures vary from investment to investment.

The Company conducts significant due diligence prior to making any investment to ensure the quality of the underlying asset, the legal standing of the issuer, any political/permitting issues, the ability of the borrower to repay the debt and the strength and resolve of its management team.

Social and Environmental Policies

On May 7, 2020, the Company adopted an economic, social and governance policy (“**ESG Policy**”) to govern its investment activities which was reviewed by the Company on September 6, 2022. The overall objectives of the ESG Policy are to promote sustainability performance in the Company’s business relations with investees and suppliers in all jurisdictions in which the Company and its investees operate. A full copy of the Company’s ESG Policy is available at <https://queensrdcapital.com/investors/corporate-governance/>.

RISK FACTORS

Investing in the Company’s securities is speculative and involves a high degree of risk due to the nature of the Company’s business and the present stage of its development. The following risk factors, as well as risks currently unknown to the Company, could materially adversely affect the Company’s 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, each of which could cause purchasers of the Company’s securities to lose part or all of their investment. The risks set out below are not the only risks the Company faces; risks and uncertainties not currently known to the Company or that the Company currently deem to be immaterial may also materially and adversely affect the Company’s business, financial condition, results of operations and prospects. Investors should also refer to the other information set forth or incorporated by reference in this AIF.

Risks Related to the Business of the Company

Portfolio Exposure and Sensitivity to Macro-Economic Conditions

Given the nature of the Company’s proposed investment activities, the results of operations and financial condition of the Company will be dependent upon the market value of the securities that will comprise the Company’s investment portfolio. Market value can be reflective of the actual or anticipated operating results of companies in the portfolio and/or the general market conditions that affect a particular sector. Various factors affecting the natural resource sector (in which the Company intends to focus its investment activities) could have a negative impact on the Company’s portfolio of investments and thereby have an adverse effect on its business. Additionally, the Company may invest in small-cap businesses that may never mature or generate adequate returns or may require a number of years to do so. This may create an irregular pattern in the Company’s investment gains and revenues (if any).

Macro factors such as fluctuations in global political and economic conditions could also negatively affect the Company’s portfolio of investments. Due to the Company’s proposed focus on the natural resource sector, the success of the Company’s investments will be interconnected with the strength of the various industries. The Company may be adversely affected by the falling share prices of the securities of investee companies; as such, share prices may directly and negatively affect the estimated value of the Company’s portfolio of investments. Moreover, Company-specific risks, such as the risks associated with mining operations generally, could have an adverse effect on one or more of the investments that may comprise the portfolio at any point in time. Company-specific and industry-specific risks that may materially adversely affect the Company’s investment portfolio may have a materially adverse impact on operating results. The factors affecting current macro-economic conditions are beyond the control of the Company.

Furthermore, the occurrence of unforeseen or catastrophic events, including war, the emergence of a pandemic or other widespread health emergency, terrorist attacks or natural disasters (or concerns over the possibility of such an emergency), could create economic and financial disruptions and could lead to operational difficulties that could impair the Company's ability to manage its business and lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. These risks could also adversely affect securities markets, inflation, and other factors relating to the securities that would be held from time to time. Such events could, directly or indirectly, have a material effect on the prospects of the Company and the value of the securities in its investment portfolio.

Changes in Commodity Prices

As an investor in companies in the resource sector, the price of QRC's Common Shares may be indirectly but significantly affected by declines in commodity prices. The price of commodities fluctuates daily and is affected by factors such as 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.

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, prolonged declines that cause a suspension or termination of production by relevant resource issuers. This could affect the value of the equity investments which the Company has made in resource issuers, and the ability of borrowers to repay debt owed to the Company. This could in turn affect the price or value of the Company's Common Shares.

Natural Resource Sector Risks

Investing in natural resource corporations can be speculative in nature and the value of the Company's investments may be subject to significant fluctuations. Such businesses entail a degree of risk, regardless of the skill and experience of the corporation's management. The assets, earnings and share values of corporations involved in the natural resource industry are subject to risks associated with the world prices of various natural resources, forces of nature, economic cycles, commodity prices, exchange rates, royalty and taxation changes and political events. Government restrictions, such as price regulations, production quotas, royalties and environmental protection, can also be factors.

QRC Has No Control Over Exploration, Development or Mining Operations

QRC is not directly involved in exploration and development of mineral properties or the operation of mines, but is a passive investor in resource issuers. Some of the issuers in which QRC invests may not progress to the stage of having operating mines, and if they do, QRC has no control on how third parties own/operate their own mining operations. The inability of QRC to control the activities of the resource issuers in which it has invested may result in a material adverse effect on the results of operations of QRC and its financial condition. The owners or operators may take action which negatively affects the price or value of their shares; may be unable or unwilling to fulfill their obligations under their agreements with QRC; 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 repay loans made to them by QRC.

The third parties in which QRC 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 QRC has little or no control. Such transactions may affect the price or value of such parties' shares, and impact upon the value of QRC's investments.

Dependence on Key Personnel

QRC is dependent on the services of a small number of key management personnel. The ability of QRC to manage its activities and its business will depend in large part on the efforts of these individuals, in particular, Warren Gilman, the Company's Chief Executive Officer and a director, whose industry relationships and experience are critical to the Company's success. The loss of the services of a member of the management of QRC could have a material adverse effect on the Company. From time to time, QRC may also need to identify and retain additional skilled management to efficiently operate its business. The number of persons skilled in metals and mining investment management is limited, and competition for such persons is intense. If QRC is not successful in retaining and attracting qualified personnel, the ability of QRC 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.

Cash Flow and Revenue

The Company's revenue and cash flow will be generated primarily from financing activities, interest payments, dividends, royalty payments on investments, and proceeds from the disposition of investments. The availability of these sources of income and the amounts generated from these sources are dependent upon various factors, many of which are outside of the Company's direct control. The Company's liquidity and operating results may be adversely affected if its access to capital markets is hindered, whether as a result of a downturn in market conditions generally or to matters specific to the Company, or if the value of its investments decline, resulting in losses upon disposition. The Company's ability to execute on its business model and strategy and its ability to repay any funds it has borrowed to finance its investments or service such debts may be affected by its revenues and cash flow. In the case of loans secured by securities from the Company's portfolio of investments, including the margin loan undertaken by the Company to finance its investment in Moxico described in "Three Year History- Year Ended August 31, 2024", the sale of any securities of the Company's portfolio of investments by secured creditors if the Company is unable to repay or service its secured debt will change the composition of the Company's portfolio of investments, with an unknown and potentially negative effect on the Company's business and financial prospects.

Private Issuers and Illiquid Securities

The Company may invest in securities of private issuers, illiquid securities of public issuers and publicly-traded securities that have low trading volumes. The value of these investments may be affected by factors such as investor demand, resale restrictions, general market trends, and regulatory restrictions. Fluctuation in the market value of such investments may occur for a number of reasons beyond the control of the Company and there is no assurance that an adequate market will exist for investments made by the Company. Many of the investments made by the Company may be relatively illiquid and may decline in price if a significant number of such investments are offered for sale by the Company or other investors. Even if the Company's investments in private issuers, illiquid securities of public issuers, and publicly-traded securities can be sold, there may not be a market for such securities. This may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private corporations may offer relatively high potential returns, but will also be subject to a relatively high degree of risk. The process of valuing investments in natural resource corporations will inevitably be based on inherent uncertainties, and the resulting values may differ from values that would have been used had a ready market existed for the investments.

Available Opportunities and Competition for Investments

QRC competes with other companies for investments. Other companies may have greater resources than QRC. Any such competition may prevent QRC from being able to secure new investments. Future competition in the resource sector could materially adversely affect QRC's ability to conduct its business. There can be no assurance that QRC will be able to compete successfully against other companies in making new investments. In addition, QRC may be unable to make investments at acceptable valuations, which may result in a material and adverse

effect on QRC's profitability, results of operations, and financial condition.

While the Company's approach of investing in convertible debentures and making concurrent equity investments in resource issuers sets it apart from investment issuers who purchase royalties and streams or make other forms of investment, the Company operates in a market where resource issuers seeking financing have a variety of options and sources of financing from which to choose.

Share Prices of Investments

Investments in securities of public companies are subject to volatility in the share prices of such companies. There can be no assurance that an active trading market for any of the subject shares comprising the Company's investment portfolio is sustainable. The trading prices of such subject shares could be subject to wide fluctuations in response to various factors beyond the Company's control, including, but not limited to, quarterly variations in the subject companies' results of operations, changes in earnings, results of exploration and development activities, estimates by analysts, conditions in the resource industry and general market or economic conditions. In recent years, equity markets have experienced extreme price and volume fluctuations. These fluctuations have had a substantial effect on market prices, often unrelated to the operating performance of the specific companies. Such market fluctuations could adversely affect the market price of the Company's investments.

Concentration of Investments

Other than as described herein, there are no restrictions on the proportion of the Company's funds and no limit on the amount of funds that may be allocated to any particular investment. The Company may participate in a limited number of investments and, as a consequence, its financial results may be substantially adversely affected by the unfavourable performance of a single investment. Completion of one or more investments may result in a highly concentrated investment in a particular company, commodity or geographic area, resulting in the performance of the Company depending significantly on the performance of such company, commodity or geographic area.

Additional Financing

The Company may wish to raise additional funds to support its growth and may seek such funds through public or private equity or debt financing. There are no assurances that additional funding will be available at all, on acceptable terms, or at an acceptable level. Any limitations on the Company's ability to access the capital markets for additional funds could limit the Company's ability to grow its investment portfolio.

If the Company raises additional funds by issuing equity or convertible debt securities, it will reduce the percentage ownership of the Company's then-existing shareholders, and the holders of those newly-issued equity or convertible debt securities may have rights, preferences, or privileges senior to those possessed by the Company's then-existing shareholders. Additionally, future sales of a substantial number of shares of the Company's Common Shares or other equity-related securities in the public market could depress the market price of the Company's Common Shares and impair the Company's ability to raise capital through the sale of additional equity or equity-linked securities. The Company cannot predict the effect that future sales of Common Shares or other equity-related securities would have on the market price of the Company's Common Shares.

No Guaranteed Return

There is no guarantee that an investment in the securities of the Company will earn any positive return in the short-term or long-term. The task of identifying investment opportunities, monitoring such investments and realizing a significant return is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage, and realize a return on such investments successfully. The Company's past performance provides no assurance of its future success.

Dividends

The Company intends to pay regular dividends to shareholders based on income received from interest-bearing investments; however, there is no guarantee that the Company will pay any dividend in any given period.

Due Diligence

The due diligence process undertaken by the Company in connection with investments may not reveal all facts that may be relevant in connection with an investment. Before making investments, the Company will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Company may be required to evaluate important and complex business, financial, tax, accounting, environmental, and legal issues. Outside consultants, legal advisors, accountants, and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, the Company will rely on resources available, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that is carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful.

Exchange Rate Fluctuations

The operations of QRC are subject to foreign currency fluctuations and inflationary pressures, which may have a material adverse effect on the profitability of QRC, its results of operations, and financial condition. There can be no assurance that the steps taken by management to address such fluctuations will eliminate the adverse effects and QRC may suffer losses due to adverse foreign currency fluctuations.

Non-Controlling Interests

The Company's investments are likely to consist of debt instruments and equity securities of companies that it does not control. These investments will be subject to the risk that the company in which the investment is made may make business, financial, or management decisions with which the Company does not agree or that the majority stakeholders or the management of the investee company may take risks or otherwise act in a manner that does not serve the Company's interests.

If any of the foregoing were to occur, the values of the Company's investments could decrease and its financial condition, results of operations, and cash flow could suffer as a result.

Potential Conflicts of Interest

Certain directors and officers of QRC also serve as directors and/or officers of other companies that are involved in natural resource explorations, development, and mining operations, including, but not limited to, NexGen and Moxico, 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 QRC 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.

Potential Transaction and Legal Risks

The Company intends to manage transaction risks through allocating and monitoring its capital investments in circumstances where the risk to its capital is minimal, carefully screening transactions, and engaging qualified personnel to manage transactions, as necessary. Nevertheless, transaction risks may arise from the Company's investment activities. These risks include market and credit risks associated with its operations. An unsuccessful investment may result in the total loss of such an investment and may have a material adverse effect on the Company's business, results of operations, financial condition, and cash flow.

The Company may also be exposed to legal risks in its business, including potential liability under securities or other laws and disputes over the terms and conditions of business arrangements. The Company also faces the possibility that counterparties in transactions will claim that it improperly failed to inform them of the risks involved or that they were not authorized or permitted to enter into such transactions with the Company and that their obligations to the Company are not enforceable. During a prolonged market downturn, the Company expects these types of claims to increase. These risks are often difficult to assess or quantify and their existence and magnitude often remains unknown for substantial periods of time. The Company may incur significant legal and other expenses in defending against litigation involved with any of these risks and may be required to pay substantial damages for settlements and/or adverse judgments. Substantial legal liability or significant regulatory action against the Company could have a material adverse effect on its results of operations and financial condition.

Strategy for Investments

As QRC executes on its business plan, it will seek to invest in third-party companies. QRC cannot offer any assurance that it can complete any investment or proposed business transactions on favorable terms or at all, or that any completed investment or proposed transactions will benefit QRC. QRC intends to participate in a limited number of investments and, as a consequence, the aggregate return of the Company may be substantially adversely affected by the unfavourable performance of even a single investment.

At any given time, QRC may have various types of transactions and investment 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 QRC and may involve the issuance of securities by QRC to fund any such acquisition. In addition, any such investment or other transaction may have other transaction specific risks associated with it, including risks related to the completion of the transaction, the counterparties to such transaction, or the jurisdictions in which such counterparty operates.

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

Change in Material Assets

As at the date of this AIF, the investments in Contango, Gold Royalty, Moxico, and NexGen are currently the material assets of QRC, although as new investments are made, the materiality of each investment to QRC will be reconsidered. Any adverse development affecting the operations at these companies, or of any other significant investment company 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 financial condition of QRC and results of its operations.

Litigation affecting Investments

Potential litigation may arise involving a company in which QRC has an interest. QRC 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 operation from a property (whether temporary or permanent) could have a material and adverse effect on QRC's results of operations, financial condition, and the trading price of the Common Shares of QRC.

Changes in Tax Laws Impacting QRC

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 QRC has interests that could have a material adverse effect on QRC. Any such change or implementation of new tax laws or regulations could adversely affect QRC'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 QRC being subject to additional taxation or which could otherwise have a material adverse effect on the profitability of QRC, QRC's results of operations, financial condition and the trading price of the Common Shares of QRC. 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 investments by QRC less attractive to counterparties. Such changes could adversely affect the ability of QRC to make future investments.

Failure to Maintain Adequate Internal Control over Financial Reporting

The Company is required to assess its internal controls in order to satisfy the requirements of applicable securities laws, which require an annual assessment by management of the effectiveness of the Company's internal control over financial reporting. The Company may fail to achieve and maintain the adequacy of its internal control over financial reporting, as such standards are modified, supplemented or amended from time to time, and the Company may not be able to ensure that it can conclude on an ongoing basis that it has effective internal controls over financial reporting in accordance with applicable laws. The Company's failure to satisfy applicable requirements on an ongoing, timely basis could result in the loss of investor confidence in the reliability of its financial statements, which, in turn, could harm the Company's business and negatively impact the market value of the Company's Common Shares. 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. There can be no assurance that the Company will be able to remediate material weaknesses, if any, identified in future periods, or maintain all of the controls necessary for continued compliance, and there can be no assurance that the Company will be able to retain sufficient skilled finance and accounting personnel.

Future acquisitions of companies, if any, may provide the Company with challenges in implementing the required processes, procedures and controls in its acquired operations. Future acquired companies, if any, may not have disclosure controls and procedures or internal control over financial reporting that are as thorough or effective as those required by securities laws currently applicable to the Company.

No evaluation can provide complete assurance that the Company's internal control over financial reporting will detect or uncover all failures of persons within the Company to disclose material information otherwise required to be reported. The effectiveness of the Company's controls and procedures could also be limited by simple errors or faulty judgments. In addition, as the Company continues to expand, the challenges involved in implementing appropriate internal controls over financial reporting will increase and will require that the Company continue to improve its internal controls over financial reporting. Although the Company intends to devote substantial time and incur costs, as necessary, to ensure compliance, the Company cannot be certain that it will be successful in complying with applicable requirements on an ongoing basis.

Information Systems and Cyber Security

The Company's information systems, and those of its counterparties and vendors, are vulnerable to an increasing threat of continually evolving cybersecurity risks. Unauthorized parties may attempt to gain access to these systems or the Company's information through fraud or other means of deceiving the Company's counterparties. The Company's operations depend, in part, on how well the Company and its suppliers, as well as counterparties, protect networks, equipment, information technology systems and software against damage from several threats. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations. Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company'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.

Uncertainty of Trade Policies

The imposition of trade tariffs, particularly by the U.S., or other trade restrictions could have significant repercussions on the Company's business and the broader global economy. Increased costs of goods and services may contribute to inflation. Existing tariffs, changes to those tariffs, or the imposition of any new tariffs, taxes or import or export restrictions or prohibitions, could have a material adverse effect on the companies in which the Company invests, and indirectly on the Company's business. Furthermore, there is a risk that the tariffs imposed by the U.S. on other countries will trigger a broader global trade war which could have a material adverse effect on the global economy. Overall, trade policy restrictions create financial uncertainty for companies, disrupt trade relationships, and put downward pressure on economic growth.

Risks Related to the Company's Securities

Volatility of Stock Price

The Common Shares of QRC are listed and posted for trading on the TSX. An investment in the securities of QRC is highly speculative. The market price of securities of companies involved in the mining and natural resources industry have experienced substantial volatility in the past. The price of the Common Shares is likely to be influenced by changes in commodity prices, the financial condition of QRC and other risk factors identified in this AIF.

The market price of the Common Shares has been and may continue to be subject to wide fluctuations in response to factors such as actual or anticipated variations in its results of operations, changes in financial estimates by securities analysts, general market conditions, and other factors. Market fluctuations, as well as general economic, political, and market conditions such as recessions, interest rate changes, or international currency fluctuations, may adversely affect the market price of the Common Shares, even if the Company is successful in maintaining revenues, cash flows, or earnings. The purchase of the Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Securities of the Company should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company should not constitute a major portion of an investor's portfolio.

Trading Price of the Common Shares Relative to Net Asset Value

The Company is not a mutual fund or an investment fund and, due to the nature of its business and investment strategy and the composition of its investment portfolio, the market price of the Common Shares, at any time, may vary significantly from the Company's net asset value per Common Share. This risk is separate and distinct from the risk that the market price of the Common Shares may decrease.

Concentration of Share Ownership

As of August 31, 2025, Corom Pty Ltd. owns approximately 26.7%, BBFIT Investments Pte Ltd. 15.8%, and Mr. Gilman 11.7% of the outstanding Common Shares (on a non-diluted basis). The concentrated share ownership could have the effect of delaying or preventing a change of control.

DIVIDENDS

The Company declared its maiden annual dividend on October 18, 2021, to all shareholders of record as at November 15, 2021. The Company pays an annual dividend from excess income over the Company's cost of operations. The payment of dividends in the future will depend on the Company's financial condition and such other factors as the directors of the Company consider appropriate.

Dividend Record Date	Dividend Amount
November 15, 2021	C\$0.15
November 7, 2022	C\$0.17
November 6, 2023	C\$0.19
November 4, 2024	C\$0.21
November 3, 2025	C\$0.23

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The authorized share capital of the Company consists of 500,000,000 Common Shares of par value of C\$0.01 each amended from 5,000,000,000 common shares with a par value of C\$0.001 before the Share Consolidation. The Share Consolidation resulted in 490,401,845 pre-consolidation common shares being consolidated into 49,040,187 post-consolidation common shares effective January 15, 2025. As of August 31, 2025, 49,959,250 Common Shares were issued as fully paid and non-assessable Common Shares. As of the date of this AIF 51,050,064 Common Shares were issued as fully paid and non-assessable Common Shares.

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company, and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares are entitled to receive such dividends in any financial year as the Board of Directors of the Company may by resolution determine. In the event of the liquidation, dissolution, or winding-up of the Company, whether voluntary or involuntary, or for the purpose of a reorganization or otherwise, or upon any distribution of capital, the holders of the Common Shares are entitled to receive the surplus assets of the Company.

Stock Options

The Company implemented a new stock option plan (the "2022 Option Plan") following its approval at the Company's December 22, 2022, annual general meeting. The 2022 Option Plan, a 10% rolling stock option plan, was adopted to incorporate various changes required to be made to comply with TSX requirements following the Company's graduation to the TSX. Options granted under Company's prior option plan (the "Old Option Plan") continue to be governed by the Old Option Plan. Please refer to "Stock Option Plans" commencing on page 21 of the Company's Management Information Circular dated November 25, 2022 (which is available under the Company's profile on SEDAR+ at www.sedarplus.com.) for a description of the 2022 Option Plan and the Old Option Plan.

There are currently 2,328,400 options issued pursuant to the Old Option Plan, equal to 4.6% of the 51,050,064 issued and outstanding Common Shares of the Company as of the date of this AIF. No options have been issued pursuant to the 2022 Option Plan.

MARKET FOR SECURITIES

Market

The Company's Common Shares are listed on the TSX under the trading symbol "QRC".

Trading Price and Volume

The following table sets out the monthly high and low trading prices and the monthly volume of trading of the Common Shares of the Company on the TSX for the most recently completed financial year:

	<u>High (C\$)</u>	<u>Low (C\$)</u>	<u>Volume</u>
September 2024	7.90	7.00	1,065,538
October 2024	8.10	7.30	726,746
November 2024	7.90	7.20	499,311
December 2024	7.60	6.90	498,192
January 2025	7.78	6.40	577,812
February 2025	7.14	6.75	27,729
March 2025	6.81	5.51	106,568
April 2025	6.70	5.80	26,833
May 2025	6.70	6.12	105,566
June 2025	7.19	6.40	366,313
July 2025	7.40	6.62	241,303
August 2025	7.85	6.91	101,702

Prior Sales

On September 18, 2024, the Company issued 2,142,857 shares at C\$7.00 per share as part of a C\$15 million private placement.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at the date of this report, there are no Common Shares in escrow or otherwise subject to contractual restrictions on transfer.

DIRECTORS AND OFFICERS

The names and provinces or states and countries of residence of the directors and officers of the Company as at August 31, 2025, positions held by them with the Company, and their principal occupations for the past five years are as set forth below. The term of office of each of the present directors expires at the next annual general meeting of shareholders. After each such meeting, the Board of Directors appoints the Company's officers and committees for the ensuing year.

Name, Province or State and Country of Ordinary Residence⁽¹⁾ and Present Positions with the Company	Principal Occupation during the last Five Years⁽¹⁾	Period from which person has been a Director or Officer	Number of Common Shares Held⁽²⁾
Warren Gilman Hong Kong Chairman, CEO and Director	Chairman and Chief Executive Officer of CEF Holdings Limited since 2011. Founder and Director of Queen's Road Central Capital Ltd., a Hong Kong-based consulting business, since 2019. Chairman and CEO of the Company since January 2020.	May 2, 2019	5,844,334
Alex Granger Hong Kong President & Director	Managing Director of Xela Group Ltd. CEO and Director of the Company from December 2010 to November 2016. President of the Company since January 2020.	May 2, 2019	588,864
Michael Cowin ⁽³⁾ ⁽⁴⁾ NSW, Australia Independent Director	Principal of Corom Funds Management Pty Ltd., an Australian-based investment company, since 2018.	February 12, 2020	643,017 ⁽⁵⁾
Donald Roberts ⁽³⁾ ⁽⁴⁾ Hong Kong Independent Director	Retired Group Deputy Chief Financial Officer of Hutchison Whampoa Limited, a predecessor to CK Hutchison Holdings Limited, a Hong Kong-based investment company.	February 12, 2020	354,561
Peter Chau ⁽³⁾ Hong Kong Independent Director	Managing Director and Chief Investment Officer of Infiniti Investment Management Ltd., a Hong Kong based investment company	November 5, 2020	125,598
Vicki Cook Hong Kong Chief Financial Officer	Consultant to Cathay Pacific Airways Limited, a Hong Kong-based airline from 2013 to 2023. Chief Financial Officer of the Company from May 2021.	May 1, 2021	64,129
Monita Farris BC, Canada Corporate Secretary	Founder of Pacific Blue Holdings Ltd. a Canadian-based company providing corporate secretarial services. Corporate Secretary of the Company since April 2021.	April 1, 2021	Nil

- (1) The information as to city and province of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors and officers individually.
- (2) The number of Common Shares beneficially owned or over which control or direction is exercised, as of August 31, 2025, is based on the directors' and officers' respective filings on the System for Electronic Disclosure by Insiders ("SEDI") at www.sedi.ca. Unless otherwise indicated, such Common Shares are held directly. These figures do not include Common Shares that may be acquired on the exercise of any stock options held by the respective directors or officers.
- (3) Member of the Audit Committee of the Company as of August 31, 2025.
- (4) Member of the Compensation, Corporate Governance and Nominating Committee of the Company as of August 31, 2025.
- (5) Includes 267,464 Common Shares held by Corom Investments Pty Ltd., 248,438 Common Shares held by Bunkwee Investments Pty Ltd., 110,150 Common Shares held by JJC FT Pty Ltd., and 16,965 Common Shares held by M&K Investments Superannuation Fund, all companies controlled by Michael Cowin.

As of August 31, 2025, the directors, nominees, officers and other members of Management of the Company, as a group beneficially owned, directly or indirectly, 8,263,520 Common Shares of the Company representing 16.5% of the total issued and outstanding Common Shares of the Company as at that date.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or executive officer of the Company is, or has been in the last 10 years, a director, chief executive officer, or chief financial officer of any company (including the Company) of an issuer that, while that person was acting in that capacity,

- (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days; or
- (a) was subject to an event that resulted, after that person ceased to be a director, chief executive officer, or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the issuer access to any exception under Canadian securities legislation, for a period of more than 30 consecutive days.

No director or executive officer or shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company:

- (a) is, as at the date of this AIF, or has been within the 10 years before the date of this AIF, 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 the 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
- (b) has, within 10 years before the date of this AIF 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.

No director or officer of the Company or a shareholder holding a sufficient number of Common Shares to affect materially the control of the Company has been subject to:

- (a) 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
- (b) 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.

Conflicts of Interest

The Company is a dividend paying, resource focused investment company, making investments in privately held and publicly traded resource companies. Certain directors and officers of the Company are also, or may become, directors, officers or shareholders of other companies in which the Company has made or may make, investments in. Such associations to other public companies may give rise to conflicts of interest from time to time. As a result, opportunities provided to a director of the Company may not be made available to the Company, but rather may be offered to a company with competing interests. The directors and senior officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any personal interest which they may have in any project or opportunity of the Company, and to abstain from voting

on such matters.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interests and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers.

Warren Gilman is a director of NexGen, a resource issuer in which the Company has an investment. NexGen is the controlling shareholder of IsoEnergy Ltd., itself a resource issuer in which the Company has an investment. Warren Gilman is also a director of Gold Royalty and Moxico, resource companies in which the Company has investments. Mr. Gilman has disclosed to the Company that, as a result of his acting as a director of NexGen, Gold Royalty, and Moxico, he has an interest in any transaction between the Company and NexGen, IsoEnergy, Gold Royalty, and Moxico.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company and its properties are not subject to any legal or other actions, current or pending, which may materially affect the Company's operating results, financial position or property ownership. During the most recently completed financial year, (i) no penalties or sanctions were imposed against the Company by a court or regulatory body and (ii) no settlement agreements were entered into by the Company with a court or a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth below and other than transactions carried out in the ordinary course of business of the Company, none of the directors or executive officers of the Company, any shareholder directly or indirectly beneficially owning, or exercising control or direction over, more than 10% of the outstanding Common Shares as of August 31, 2025, nor an associate or affiliate of any of the foregoing persons has had, during the three most recently completed financial years of the Company or during the current financial year, any material interest, direct or indirect, in any transactions that materially affected or would materially affect the Company.

Corom Pty Ltd. ("Corom"), a company controlled by Mr. Jack Cowin of New South Wales, Australia, held a total of 13,356,508 Shares representing approximately 26.7% of the issued and outstanding Common Shares as of August 31, 2025. See "Description and General Development of the Business – Three Year History – Year Ended August 31, 2025 Developments – C\$15 Million Capital Raising". Corom acquired 553,022 Common Shares of the 2,142,857 Common Shares issued on September 18, 2024.

BB Family International Trust, a trust controlled by Mr. Brett Blundy of Singapore, owns a total of 7,875,522 Shares representing approximately 15.8% of the issued and outstanding Common Shares as of August 31, 2025. See "Description and General Development of the Business – Three Year History – Year Ended August 31, 2025 Developments – C\$15 Million Capital Raising". BBFIT International Pte Ltd., a company controlled by Mr. Blundy, acquired 397,142 Common Shares of the 2,142,857 Common Shares issued on September 18, 2024.

Mr. Warren Gilman, a director of the Company, owns a total of 5,844,334 Shares representing approximately 11.7% of the issued and outstanding Common Shares as of August 31, 2025. Mr. Gilman acquired 485,714 Common Shares of the 2,142,857 Common Shares issued on September 18, 2024.

Common Shares beneficially owned, directly and indirectly, or over which control or direction is exercised, as of August 31, 2025, are based on their respective filings on SEDI at www.sedi.ca.

TRANSFER AGENT AND REGISTRAR

The Company's registrar and transfer agent is Computershare Investor Services Inc. with its office located at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

INTEREST OF EXPERTS

The Company's auditors are KPMG LLP ("KPMG"), Chartered Professional Accountants, who have prepared an independent auditor's report dated November 14, 2025 in respect of the Company's consolidated financial statements as at August 31, 2025 and August 31, 2024 and for the years then ended. KPMG has advised that they are independent with respect to the Company within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

ADDITIONAL INFORMATION

Additional information on the Company may be found on SEDAR+ at www.sedarplus.com. Additional information, including directors' and officers' remuneration and indebtedness to the Company, principal holders of the securities of the Company's and securities authorized for issuance under equity compensation plans, is contained in the Company's management information circular for its most recent annual general meeting, which is filed on SEDAR. Additional financial information is provided in the Company's audited consolidated financial statements for the year ended August 31, 2025, and the related management's discussion and analysis of financial conditions and results of operations, both of which are available on SEDAR+.

AUDIT COMMITTEE

As a reporting issuer in all of the provinces and territories of Canada, the Company is required to have an audit committee. The Company's Audit Committee Charter, adopted on May 7, 2020 and reviewed by the Board of the Company on September 9, 2022, is attached to this AIF as Schedule A. The following is a summary of matters relating to the Audit Committee.

Composition of the Audit Committee

Donald Roberts, Michael Cowin and Peter Chau are the current members of the Audit Committee. Mr. Roberts is currently the Audit Committee's Chair.

NI 52-110 *Audit Committees* requires that all members of the audit committee of a non-venture issuer be independent. NI 52-110 provides that a member of an audit committee is independent if the member has no direct or indirect material relationship with the issuer, which could, in the view of the issuer's board of directors, reasonably interfere with the exercise of the member's independent judgment. Donald Roberts, Michael Cowin, and Peter Chau are independent members of the Audit Committee for the purposes of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements. All members of the Company's Audit Committee are considered to be financially literate as that term is defined in NI 52-110.

Relevant Education and Experience

Donald Roberts (Chair) – Mr. Roberts is an Independent Non-executive Director ("INED") and a member of the Audit and Nomination Committees of CK Asset Holdings and CK Life Sciences Int'l., (Holdings) Inc. (both listed in Hong Kong), and the Remuneration Committee of CK Life Sciences Int'l., (Holdings) Inc. and an INED and Chairman of the Audit and Remuneration Committees of HK Electric Investments (listed in Hong Kong). He is also an INED of Welab Bank Limited, a licensed virtual bank in Hong Kong. Don had a successful career with CK Hutchison Holdings (formerly Hutchison Whampoa Limited ("HWL")), a Fortune 500 company listed in Hong Kong. He joined HWL in 1988 and was the Group Deputy Chief Financial Officer of HWL from 2000 until his retirement in 2011. Prior to that, he completed his professional training with PricewaterhouseCoopers in Canada and held senior manager positions in their offices in Europe and Hong Kong. Mr. Roberts was a Member of the Listing Committee of the Main Board and GEM of The Stock Exchange of Hong Kong Limited from July 2015 to July 2020. Don has lived and worked in Hong Kong since 1984 and has served as a Governor and a member of the Executive Committee of The Canadian Chamber of Commerce (the "**Chamber**") in Hong Kong. He is currently a Governor of the Chamber. Don served as a Governor of the Canadian International School of Hong Kong for the periods between 1998 to 2004, and between 2006 to 2012 and also as a member on its Finance & Administration Committee. Mr. Roberts served as a member, including as the Deputy Chairman, of the Professional Conduct Committee of the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for 9 years. He holds a Bachelor of Commerce degree from the University of Calgary and is a Chartered Accountant with the Chartered Professional Accountants of Canada, Alberta and British Columbia, and a Fellow of the HKICPA.

Michael Cowin – Mr. Cowin is the Principal of Corom Funds Management Pty. Ltd., an entity managing the Cowin family office investments. He is also a Director of Apache Industrial Services, Inc., CTE Investments Pty Ltd., Rockmaster Resources Corp., and Rzolv Technologies Inc. Mr. Cowin has over 25 years investment experience in the wholesale funds management sector in Australia. From 2007 to 2018, he was an equity partner and Director of Northcape Capital Pty Ltd., a boutique investment fund based in Australia which manages over A\$10 billion. He was the portfolio manager for the Emerging Companies Fund at Northcape Capital. Prior to Northcape Capital, Mr. Cowin was a senior portfolio manager at AMP Capital from 2004-2007 where he ran the

AMP Small Companies Fund. From 2003-2004, he managed the Small Companies Fund at UBS managing ‘small cap’ money in Australia. Mr. Cowin has gained extensive experience investing in the resources sector and holds a Masters of Business Administration from the Australian Graduate School of Management and a Bachelor of Chemical Engineering (Honours) from the University of NSW.

Peter Chau – Mr. Chau is the Managing Director & Chief Investment Officer of Infiniti Investment Management Ltd. (“IIML”), a Hong Kong-based investment company. Mr. Chau has over 19 years of investment management experience prior to co-founding IIML. Mr. Chau worked for 17 years with TAL Global Asset Management Ltd., and its predecessor company, where Mr. Chau had been Deputy Managing Director since 1994, managing Greater China equities for all client accounts and leading the team covering Asian markets. Throughout his career, Mr. Chau has received numerous investment awards from reputable agencies such as Lipper Analytical Services and Micropal on a range of products, including equity, bond, currency, and warrant funds, attesting to his outstanding investment performance. Mr. Chau is a graduate of the University of Waterloo in Ontario, Canada, where he received a Bachelor’s degree in Mathematics.

Audit Committee Oversight

The Audit Committee has not, at any time since the commencement of the Company’s financial year ended August 31, 2025, made a recommendation to the Board to nominate or compensate an external auditor which was not adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Engagements for such services are considered by the Audit Committee on a case-by-case basis. The Audit Committee may delegate to one or more members the authority to approve non-audit services, provided that the member report to the Audit Committee at the next scheduled meeting such pre-approval and the member comply with such other procedures as may be established by the Audit Committee from time to time.

External Auditor Service Fees

The following table sets forth the fees billed to the Company and its subsidiaries by its auditors, KPMG LLP (“KPMG”) Chartered Professional Accountants, for services rendered in respect of the last two financial years for which audits have been completed.

	August 31, 2025	August 31, 2024
Audit Fees: ⁽¹⁾⁽²⁾	\$248,042	\$223,333
Audit Related Fees: ⁽³⁾	Nil	Nil
Tax Fees: ⁽⁴⁾	\$109,315	\$38,817
All Other Fees: ⁽⁵⁾	Nil	Nil
TOTAL:	\$357,357	\$262,150

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings, and statutory audits.
- (2) Includes an accrual for the audit of the year-end financial statements for that financial year for which a bill has not yet been received from the auditors as of the date of this AIF.
- (3) “Audit-Related Fees” include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews, and audit or attest services not required by legislation or regulation.
- (4) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning, and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (5) “All Other Fees” include fees for all other non-audit services.

SCHEDULE A

QUEEN'S ROAD CAPITAL INVESTMENT LTD.

AUDIT COMMITTEE CHARTER

1. PURPOSE

The Audit Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Queen’s Road Capital Investment Ltd. (the “**Company**”), the primary function of which is to assist the Board in its oversight of the nature and scope of the annual audit, management’s reporting on internal accounting standards and practices, financial information and accounting systems and procedures, controls around releases containing financial information, financial reporting and statements and to recommend, for approval of the Board, or to approve, the audited financial statements and interim financial statements.

The primary objectives of the Committee are as follows:

- (a) to assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Company and related matters;
- (b) to oversee the work of the external auditors;
- (c) to provide better communication between directors and external auditors;
- (d) to enhance the external auditors’ independence;
- (e) to increase the credibility and objectivity of financial reports; and
- (f) to strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and the external auditors.

2. RESPONSIBILITY OF MANAGEMENT AND EXTERNAL AUDITORS

The Committee’s role is one of oversight. Management is responsible for preparing the Company’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards (“**IFRS**”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The external auditors’ responsibility is to audit the Company’s financial statements and provide their opinion, based on their audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

3. MEMBERSHIP AND ORGANIZATION

- (a) **Composition:** The Committee shall be comprised of not less than three members of the Board.
- (b) **Independence:** The Committee shall be composed entirely of “independent” directors, as such term is defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) and any applicable stock exchange rules, each as may be amended or replaced from time to time (collectively referred to as the “**Independence Rules**”).

- (c) **Appointment and Removal of Committee Members:** Each member of the Committee shall be appointed by the Board on an annual basis and shall serve at the pleasure of the Board or until the earlier of: (i) the close of the next annual meeting of the shareholders of the Company at which the member's term of office expires; (ii) the death of the member; or (iii) the resignation, disqualification or removal of the member from the Committee or from the Board. The Board may fill any vacancy in the membership of the Committee.
- (d) **Financial Literacy:** All of the members of the Committee shall be "financially literate" within the meaning used in NI 52-110 or a member who is not financially literate must become so within a reasonable period of time following his or her appointment.
- (e) **Chair:** At the time of the annual appointment of the members of the Committee, the Board shall appoint a chair of the Audit Committee (the "**Chair**") from among the members of the Committee. The Chair shall preside over all Committee meetings, coordinate the Committee's compliance with this Charter, work with management to develop the Committee's annual work plan and provide reports of the Committee to the Board. The Chair may vote on any matter requiring a vote. In the case of an equality of votes, the Chair shall be entitled to a second or casting vote. The Chair shall report to the Board, as required by applicable law or as deemed necessary by the Committee or as requested by the Board, on matters arising at Committee meetings and, where applicable, shall present the Committee's recommendation to the Board for its approval.
- (f) **Meeting Procedures:** A majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of the majority of those present at any meeting at which there is a quorum shall be the act of the Committee.

4. FUNCTIONS AND RESPONSIBILITIES

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board. In addition to these functions and responsibilities, the Committee shall perform the duties required of an audit committee by its governing corporate statute, any requirements of stock exchanges on which the securities of the Company are listed, and all other applicable laws.

- (a) **Oversee External Auditors:** The Committee shall oversee the work of the external auditors, including reviewing any significant disagreements between management and the external auditors in connection with the preparation of financial statements. Periodically, at least annually, the Committee shall meet separately with management and the external auditors.
- (b) **Internal Controls:** The Committee shall monitor the system of internal control. The Committee shall require management to **implement** and maintain appropriate systems of internal control in accordance with applicable laws, regulations and guidance, including internal control over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Committee shall consider and review with management and the external auditors:
 - (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Company's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions;
 - (ii) any significant changes in internal control over financial reporting that are disclosed, or considered for disclosure, including those in the Company's periodic regulatory filings;

- (iii) any material issues raised by any inquiry or investigation by the Company's regulators; and
 - (iv) any related significant issues and recommendations of the external auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.
- (c) **Review Financial Statements:** The Committee shall review the annual and interim financial statements of the Company and related management's discussion and analysis ("MD&A") prior to their approval. The process should include but not be limited to:
 - (i) reviewing changes in accounting principles and policies, or in their application, which may have a material impact on the current or future years' financial statements;
 - (ii) reviewing significant accruals, reserves or other estimates;
 - (iii) reviewing any "related party" transactions, with related party having the meaning ascribed to it by Canadian securities regulations;
 - (iv) reviewing accounting treatment of unusual or non-recurring transactions;
 - (v) ascertaining compliance with covenants under loan agreements;
 - (vi) reviewing disclosure requirements for commitments and contingencies;
 - (vii) reviewing unresolved differences between management and the external auditors;
 - (viii) obtaining explanations of significant variances with comparative reporting periods; and
 - (ix) reviewing any legal matters which could significantly impact the financial statements as reported on by the legal counsel and meet with outside counsel whenever deemed appropriate.
- (d) **Public Disclosure:** The Committee shall review the financial statements, MD&A, annual information forms, management information circulars and any prospectuses as well as all public disclosure containing audited or unaudited financial information before release and prior to Board approval.
- (e) **Interim Financial Statements:** The Committee shall review the interim financial statements and disclosures and obtain explanations from management as required. After completing its review of the interim financial statements, if advisable, the Committee shall, if so authorized by the Board, approve the interim financial statements and the related MD&A, or if not so authorized by the Board, then approve and recommend them for approval by the Board.
- (f) **Hiring Policies:** The Committee shall review and approve the Company's hiring policies regarding the hiring of partners, employers and former partners and employees of the present and former external auditors of the Company.
- (g) **Appointment of External Auditors:** With respect to the appointment of external auditors by the Board, the Committee shall:

- (i) recommend to the Board the appointment of the external auditors for approval by the shareholders at the Company's annual meeting of shareholders;
 - (ii) recommend to the Board the terms of engagement of the external auditor, including the compensation of the auditors and a confirmation that the external auditors shall report directly to the Committee;
 - (iii) on an annual basis, obtain from the external auditors a formal written statement delineating all relationships between the auditor and the Company, consistent with Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees). Review and discuss with the external auditors all significant relationships such auditors have with the Company to determine the auditors' independence;
 - (iv) review the performance of the external auditors;
 - (v) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change; and
 - (vi) review and approve in advance any non-audit services to be provided to the Company or its subsidiaries by the external auditors and consider the impact on the independence of such auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Committee may delegate to one or more members the authority to approve non-audit services, provided that the member report to the Committee at the next scheduled meeting such pre-approval and the member comply with such other procedures as may be established by the Committee from time to time.
- (h) **Evaluation and Rotation of Lead Partner:** At least annually, the Committee shall review the qualifications and performance of the lead partners of the external auditors. The Committee shall obtain a report from the external auditors annually verifying that the lead partner of the external auditors has served in that capacity for no more than five fiscal years of the Company and that the engagement team collectively possesses the experience and competence to perform an appropriate audit.
- (i) **Review with External Auditors:** Review with external auditors (and internal auditor if one is appointed by the Company) their assessment of the internal controls of the Company, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of the Company and its subsidiaries.
- (j) **Risk Policies and Procedures:** The Committee shall review risk management policies and procedures of the Company (e.g. hedging, litigation and insurance), regarding current areas of great financial risk and whether management is managing these effectively.
- (k) **Treatment of Complaints/Submissions:** The Committee shall review and approve the establishment by management of procedures for the receipt, retention and treatment of complaints received by the Company from employees or others, regarding accounting, internal accounting controls, or auditing matters. The procedures will provide for the confidential, anonymous submission by the Company employees of concerns regarding questionable accounting or auditing matters.
- (l) **Investigations:** The Committee shall have the authority to investigate any financial activity of the

Company. All employees of the Company are to cooperate as requested by the Committee.

- (m) **Retain Experts:** The Committee may retain independent counsel, persons having special expertise and/or obtain independent professional advice to assist in fulfilling their responsibilities at the expense of the Company without any further approval of the Board. The Committee has the authority to set, and have the Company, pay the compensation for any such persons engaged by the Committee.
- (n) **Advising Board:** The Committee shall ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
- (o) **Updates to Charter:** The Committee shall annually review and recommend to the Board any updates to this Charter. All changes to this Charter shall be approved by the Board.
- (p) **Legal Compliance:** The Committee shall confirm that the Company's management has the proper review system in place to ensure that the Company's financial statements, reports, press releases and other financial information satisfy legal requirements. The Committee will review with the Company's legal counsel any legal matter that the Committee understands could have a significant impact on the Company's financial statements.
- (q) **Fraud Prevention and Detection:** The Committee shall have the authority to oversee and assess management's controls and processes to prevent and detect fraud; receiving periodic reports on findings of fraud as well as significant findings regarding the design and/or operation of internal controls and management processes.

5. LIMITATION OF RESPONSIBILITY

While the Audit Committee has the responsibilities and powers provide by this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with IFRS. This is the responsibility of management (with respect to whom the Audit Committee performs an oversight function) and the external auditors.

6. ADOPTION OF THE AUDIT COMMITTEE CHARTER

This Charter was last reviewed, revised, adopted and approved by the Board of Directors of the Company on September 6, 2022.