



Queen's Road Capital Announces US\$70 million Investment in NexGen Energy Ltd.

For Immediate Release August 31, 2023

Queen's Road Capital Investment Ltd. (TSX-QRC) (the "Company" or "QRC") is pleased to announce that it has entered into an agreement with NexGen Energy Ltd. ("NexGen") (TSX: NXE) whereby the Company will invest US\$70,000,000 in a new NexGen convertible debenture.

The convertible debenture will have similar terms to the existing 2020 convertible debenture including a 5-year term and voting alignment but updated to a 9.0% coupon and will be convertible into NexGen common shares at a share price of US\$6.76. The interest is payable 6.0% in cash and 3.0% in shares at the 20-day volume weighted average price prior to each interest payment date. Washington H. Soul Pattinson and Company Ltd. has agreed to purchase from QRC 8,700,000 common shares currently held by QRC for US\$5.20 per share (or approximately US\$45 million). Use of proceeds will be to fund further development and exploration of NexGen's mineral properties and for general corporate purposes.

QRC achieves several significant milestones with this investment, including:

- **Largest single investment to-date:** at \$70 million, this investment is three times the size of the Company's previous largest convertible debt investment, a testament to both the growth of QRC during the 3 years since its inception and to the quality of NexGen as an investee company;
- **First exit of a significant investment:** in connection with the investment, the Company will convert the existing 2020 convertible debenture into common shares of NexGen representing the first realisation of a significant investment by QRC since its inception; the US\$45 million sale price represents a gain of 200% over the US\$15 million initial investment and an IRR of approximately 50% over the duration of the investment;
- **US\$149 million convertible debenture portfolio:** as a result of this investment, QRC will cross the \$100 million threshold of active convertible debenture investments with US\$149 million of income generating assets under management; and
- **US\$13+ million in annual interest income:** the active convertible debt portfolio will be earning US\$13.4 million of interest income annually (or a 9.0% average coupon), which will support future dividend payments to our shareholders.

Warren Gilman, Chairman and CEO of the Company commented: "QRC is delighted to increase its investment in NexGen at a time when NexGen has announced that it is on the verge of receiving final permits and begin construction at the world class Arrow uranium deposit. NexGen expects that Arrow will become the largest and lowest cost hard rock uranium mine in the world when commissioned and QRC looks forward to the continued strong partnership with the entire NexGen team."

Completion of the investment, which is expected to occur in the next few weeks, is subject to a number of conditions, including the execution of definitive documentation and the receipt of all required regulatory approvals.

About Queen's Road Capital Investment Ltd.

QRC is a dividend paying, leading financier to the global resource sector. The Company is a resource focused investment company, making investments in privately held and publicly traded 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 politically safe jurisdictions.

Neither the Toronto Stock Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Toronto Stock Exchange) accepts responsibility for the adequacy or accuracy of this release.

FOR FURTHER INFORMATION, visit the Company's website at www.queensrdcapital.com or contact by email info@queensrdcapital.com or phone +852 2759 2022

Caution Regarding Forward Looking Statements

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