INVESTING POLICY

Overview

The Company will seek to achieve its Investment Objective through a combination of Core Investments and Complementary Investments.

Core Investments

The Group will primarily invest in equity securities or other securities or instruments (including royalties) (collectively, "financial products") issued by companies which are predominately admitted to trading on recognised stock exchanges including, but not limited to, the ASX, the CSE, the LSE (including both AIM and the Main Market), the HKEX, the JSE, the NYSE and the TSX (including TSVX).

The Board intends to transition gradually over time the Company's existing portfolio of active and passive investments and legacy positions in royalty interests into a more diversified, balanced and liquid investment portfolio. However, the Company will maintain the ability to be overweight in certain high conviction investments, if the Board believes this to be appropriate. The Board will also be cognisant of the business and mining/commodity cycle and from time to time it may be more appropriate for the Group to have a greater concentration of risk in a certain commodity or commodities, and less liquidity in order to preserve and grow its net assets.

The Company expects to focus on opportunities that fall within one, or ideally several, of the Core Investment opportunities set out in the table below from which the Company believes value can be achieved from a potential investment whilst balancing the concentration of risk/return of individual investments against the portfolio and remaining nimble.

Core Investment Opportunities

1. Significant discovery potential – pre or post discovery
2. Country/district/first mover advantage
3. Commodity price dislocations
4. Potential for economic resource growth
5. Financial restructuring opportunity
6. M&A opportunity
7. Macro/micro economic trading opportunity
8. Liquidity
9. Operational improvements
10. Cost dislocations

The Company recognises that there may be investment opportunities in the mining sector that fall outside the Core Investment opportunities set out above that represent good investment opportunities and could provide balance to the portfolio. Such investments would be categorised as special situation investments.

The Group may also make investments in suitable financial products (primarily for hedging purposes) that fall outside the remit of the mining sector, including but not limited to investments which track relevant indices, investments in correlated or inversely correlated metals or baskets of metals, investments in correlated or inversely correlated baskets of equity securities and other financial products, and investments other funds or indices (which may or may not be related to the mining sector) (collectively "**Core Investments**").

Complementary Investments

The Group may also invest in complementary business verticals, with a focus on commercial businesses or funds with separate management teams with that support investment in and the funding of companies and/or projects within the mining sector, that will generate income for the Group. In particular, this may include, but may not be limited to, the acquisition, seeding or establishment of mining sector related broking or corporate banking businesses, mining sector related credit funds, mining sector related convertible bond funds, commodity trading funds, mining sector investment funds with different investment strategies (for example, investment strategies focused on precious metals, battery metals, cleantech, downstream and upstream technology, private equity or streaming and/or royalty businesses), as well as funds with AUM directed towards non-mining sector investments that could be restructured post acquisition. The Group may to the extent legally permissible and appropriate provide some level of shared services and share costs with such businesses and in certain circumstances, where relevant, the Group may also provide regulatory capital to such businesses. The Group may seek representation on the boards of directors of such businesses or relevant investment, compliance, oversight or nomination committees or any other committee relevant to provide supervision of the Company's investments but will maintain separate operational control and independence (collectively "**Complementary Investments**").

Investment limits and restrictions

The Group will manage its assets in accordance with the following investment limits and restrictions (the "**Investment Limits and Restrictions**"), which, where relevant, shall be measured at the point of investment:

- The Group will be permitted to invest in companies registered, incorporated or domiciled in any jurisdiction, with projects in any jurisdiction and at any point on the mining development curve (including at the pre- and post-discovery exploration, development and/or production stage), provided that the Company will not invest in companies registered, incorporated or domiciled or with projects in jurisdictions which are subject to major conflict or where such investments would be in breach of sanctions administered or enforced by (i) the United Kingdom, (ii) Australia, (iii) the United States (including, without limitation, Office of Foreign Assets Control of the US Treasury Department or the US Department of State), (iv) the European Union, or (v) the United Nations Security Council.
- The Company will not be restricted in the allocation of its net assets between Core Investments and Complementary Investments. Within Core Investments, the Company will seek to invest (but will not be bound by such restrictions):
  - 20-50 per cent. of its net assets in financial products issued by companies which are mid to large-tier producers, which may or may not be diversified by jurisdiction or commodity;
  - 20-40 per cent. of its net assets in financial products issued by companies which have one or several projects that are post resource definition, within the study phase or development phase (pre or post financing); and
  - 10-30 per cent. in financial products issued by companies which are pre or post discovery exploration companies.
- Not more than 50 per cent. of the Company's Gross Asset Value at the time of investment will be invested in the financial products of a single issuer (in aggregate).
- The Company will mainly focus on investments with exposure to the mining sector generally, but will not be restricted by commodity.
- The Company will not be restricted by investment term. Investments may be very short term in nature (including intraday), short term (less than a year), medium term (1-3 years) or longer term (> 3 years).

In the event of a breach of the Investment Limits and Restrictions, the Group will attempt to resolve any breach and notify Shareholders and CDI Holders.

Borrowing and leverage policy

The Group will be permitted to borrow up to 50 per cent. of its net asset value (calculated at the time of drawdown) for the purposes of Core Investments, except where such leverage is mitigated by an appropriately sized put option.

The Group will be permitted to borrow up to an unlimited amount for the purposes of Complementary Investments.

Hedging and Derivatives

The Group may utilise derivatives for efficient portfolio management purposes. In particular, non-Sterling investments may be hedged so as to limit currency exchange risk.

Cash Management

While it is intended that the Group will be fully invested in normal market conditions, the Group may hold cash on deposit or invest on a temporary basis in a range of cash equivalent instruments. There is no restriction on the amount of cash or cash equivalent instruments that the Group may hold. Cash and cash equivalent instruments will be held with approved counterparties and in line with prudent cash management guidelines agreed by the Board.

Procedure to amend New Investing Policy

No material change may be made to the New Investing Policy without approval of the Shareholders by way of an Ordinary Resolution.